



ANNUAL FINANCIAL REPORT

JUNE 30, 2011

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INTRODUCTORY SECTION

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LOGAN MUNICIPAL SCHOOLS
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2011

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LOGAN MUNICIPAL SCHOOLS
OFFICIAL ROSTER
June 30, 2011

<u>Name</u>		<u>Title</u>
	<u>Board of Education</u>	
Tom Bruhn		President
Tom Humble		Vice President
Clint Usery		Secretary
Bill Cone		Member
Lynn Birch		Member
	<u>Audit Committee</u>	
Lynn Birch		Board Member
Bill Cone or Tom Humble		Board Member
Rodney Paris		Parent Liaison
Theresa Barraras		Community Member
	<u>School Officials</u>	
Richard Hazen		Superintendent
Pat Copeland		Business Manager

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget and
The Governing Board
Logan Municipal Schools
Logan, 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 comparison statement of the General Fund and the major special revenue fund activities of Logan Municipal Schools (the "District") as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons of the Bond Building, Capital Improvements SB-9 fund, and Debt Service fund and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011 as listed in the table of contents. These financial statements are the responsibility of Logan Municipal Schools' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit 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 Logan Municipal Schools, as of June 30, 2011, and the respective changes in financial position, thereof and the respective budgetary comparison statements for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of Logan Municipal Schools as of June 30, 2011, and the respective changes in financial position thereof and the respective budgetary comparison statements for each nonmajor governmental fund and the budgetary comparison of the Bond Building, Capital Improvements SB-9 Fund, and Debt Service fund 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 August 19, 2011 on our consideration of the Logan Municipal Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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The *Management's Discussion and Analysis* on pages 15-22 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Logan Municipal Schools' basic financial statements, the combining and individual fund financial statements, and the budgetary comparison statements. The accompanying financial information listed as supporting Schedules I-III in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Logan Municipal Schools. Such information has been subjected to the auditing procedures applied in the audit of the basic and each of the nonmajor governmental fund financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The Introductory Section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

Precision Accounting, LLC
Albuquerque, New Mexico
August 19, 2011

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**LOGAN MUNICIPAL SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDING JUNE 30, 2011**

This Management Discussion and Analysis of the fiscal performance of the Logan Municipal Schools (District) for the period ending June 30, 2011. The MD & A written analysis is a required part of the District's financial reporting and is an objective and easily readable discussion of the District's financial activities. For school districts, GASB 34 has had a significant impact in the manner in which the financial statements are prepared, as well as the kinds of statements that are included in the report. There are two new statements that were begun four years ago: a Statement of Net Assets which includes all of the assets and liabilities of the district and a Statement of Activities, which is a report that uses a net cost format with expenses reported by functions/programs. The Management Discussion and Analysis as well as the two new statements, provide a review of the School District's *overall* financial activities using the accrual basis of accounting. Fund financial statements are reported on a modified accrual basis of accounting. The reports include a comparison with last fiscal year.

The discussion and analysis, as well as the Statement of Net Assets and Statement of Activities, provide a review of the District's overall financial activities, using the accrual basis of accounting, for the year ending June 30, 2011. Fund financial statements are reported on a modified accrual basis of accounting. Rather than looking at specific areas of performance, this discussion and analysis focuses on the financial performance of the District as a whole. Whenever possible this discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other graphics information.

In addition to the new reporting, this annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditor's Report, The Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards, and a Schedule of Findings and Responses. These statements and information were included in past audit reports.

About LOGAN MUNICIPAL SCHOOLS

To completely understand the financial discussion of Logan Municipal Schools, it is important to understand the nature of the District.

As one would travel the State of New Mexico, it would be a unique treat to pass through Logan. Located in Eastern New Mexico, the community is isolated and yet diverse. Nestled next to beautiful Ute Lake State Park in Quay County is the village of Logan. Logan is a small, rural community with a population of just over 1,000 people; however, because of summer recreation, the population often expands to several thousand during its peak season. Most people derive their livelihood from farming, ranching, and government employment and, of course, recreation.

Logan has a registered voting population of approximately 400 with 50 percent of these voters being retired with no ties to the school. This enables the Logan Municipal Schools to qualify and apply for additional Funding. Most of the community realized the importance of the school as the center of this thriving area and whole heartily supported this important endeavor. The school population is approximately 275 students in grades PK-12 with approximately 32 three and four year olds. It is the attempt of the district to provide academic and extracurricular opportunities that will enhance individual student knowledge and experience. Our older students are active in sports-football, volleyball, basketball and track-along with FFA, FCCLA, Honor Society, Student Council and various other activities. The primary focus with the elementary students tends to be in the classroom because of necessary skill building at this level; however, these students also have the opportunity to participate in limited sports competitions. On the state rankings, Logan students do very well. The High School, Elementary and Middle School have been rated as "Meeting AVP" for the last two years. Logan Municipal Schools is considered by the News and World Report as one of the best small schools in the nation. GreatSchools District Rating for Logan Municipal Schools is 8 out of 10. We have implemented an online school to address retention issues as well as provide students additional course work. There is little violence and/or vandalism to report; and it is important that as one walks the halls, there are still no locks on the student's lockers because there is not a need.

**LOGAN MUNICIPAL SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDING JUNE 30, 2011**

The District provides a full range of educational services to its students. The Special Education staff of the Logan district joins forces with the General Education staff, families, and community to increase learning opportunities for ALL students. The purpose of Special Education is based on a philosophy of providing a high quality, individualized, comprehensive education in the most inclusive environment based on a student's educational needs. The purpose of this education is to prepare students to become productive and responsible and to allow them to meaningfully participate in an ever-changing global society.

Significant Financial Highlights for the Year Ending June 30, 2011

The overall Fund Balances increased from \$1,224,311 for the year ending June 30, 2010 to \$1,558,929 for the year ending June 30, 2011. The total increase in fund balance is \$334,618. The increase was due to the bond issuance despite the small decrease in expenditures and the decrease in funding.

Total expenditures decreased from \$4,642,245 for the year ending June 30, 2010 to \$4,352,199 for the year ending June 30, 2011. This is an decrease in expenditures of \$290,046 or 10%. The reason for this decrease is because the district experienced a decrease in revenues. Revenues decreased from \$3,845,106 for the year ending June 30, 2010 to \$3,666,319 for the year ending June 30, 2011 resulting in a total decrease of \$178,787.

Total cash decreased by \$362,202 in 2011 in part due to the district having increased spending and a reduction in revenue.

The change of \$147,384 in capital assets is attributable to capital additions of \$346,543 and depreciation expense of \$199,150 for the year.

There was an increase in accounts payable of \$73,485 while overall liabilities decreased as a result by \$27,385 due to the decrease of interfund payable and deferred revenues.

**LOGAN MUNICIPAL SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDING JUNE 30, 2011
DISTRICT WIDE FINANCIAL STATEMENTS**

Statement of Net Assets

The overall Statement of Net Assets is prepared using the accrual method of accounting. This statement shows that the District has net assets of \$4,011,988. The District has \$1,579,174 of cash and cash equivalents on hand as of June 30, 2011 compared to \$506,608 in accounts payable and other current liabilities. There are no restricted net assets. Net Assets totaling \$313,219 are "unrestricted".

<u>Assets</u>	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Cash Assets	\$ 1,579,174	\$1,216,972
Other Current Assets	173,693	195,273
Capital Assets	5,113,305	4,965,921
Other Non Current Assets	<u>27,424</u>	<u>54,590</u>
Total Assets	6,893,596	6,432,756
<u>Liabilities</u>		
Accounts Payable	80,551	57,066
Other Current Liabilities	426,057	143,610
Long Term Liabilities	<u>2,375,000</u>	<u>1,815,000</u>
Total Liabilities	2,881,608	2,015,676
<u>Net Assets</u>		
Invested in Capital Assets	2,971,525	3,150,921
Restricted	727,244	-
Unrestricted	<u>313,219</u>	<u>1,266,159</u>
Total Net Assets	4,011,988	4,417,080
Total Net Assets and Liabilities	6,893,596	6,432,756

GASB 34 rules require public entities to depreciate capital assets. This statement includes an adjusted accumulated depreciation of the District's capital assets in the amount of \$4,652,682. The District utilized a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation.

Statement of Activities

The Statement of (Governmental) Activities is a statement required by GASB 34 and is prepared using the accrual method of accounting. This report compliments the Statement of Net Assets by showing the overall change in the District's net assets for the fiscal year ending June 30, 2011. As of June 30, 2011 the District had net assets of \$4,011,988. The adjusted beginning year total net assets are \$4,417,080 reflecting a decrease in total net assets of \$405,092 for the year ending June 30, 2011.

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Expenses for Governmental Activities	\$(4,062,361)	\$(4,274,541)
Less Charges for Services	54,438	43,260
Less Operating Grants and Contributions	762,708	1,130,246
Less Capital Grants and Contributions	<u>61,921</u>	<u>233,185</u>
Net (Expenses) Revenues and Changes in Net Assets	\$ (3,183,294)	\$(2,867,850)

**LOGAN MUNICIPAL SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDING JUNE 30, 2011**

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
General Revenues:		
Taxes -general, debt service, capital projects	333,059	442,062
Federal and State Aid not restricted to specific purpose Interest Earned	2,434,687	2,194,002
Miscellaneous	10,456	13,944
Subtotal, General Revenues	2,778,202	2,650,008
Changes in Net Assets	(405,092)	(217,842)
Net Assets Beginning	4,417,080	4,634,922
Net Assets –Ending	\$ 4,011,988	\$ 4,417,080

FUND FINANCIAL STATEMENTS

The Statement of Revenues and Expenditures and Changes in Fund Balances report guides the reader to a meaningful overall view for the District revenue, expenditures and changes to the fund balance. Total revenues from state, local and federal sources were \$3,666,319. Total expenditures for the District were \$4,352,199. The total ending fund balance was \$1,558,929; an increase of \$334,618 from the prior year.

Multi-Year District Revenues and Expenditures

A multi-year view of overall District revenues and expenditures indicates a growth and then lack of growth in both areas through the 2011 fiscal year. The revenue and expenditures decreased in the 2011 fiscal year due to the policy of the Logan Municipal Schools to not expend more revenue than we receive coupled with the cap on cash balances allowed by the PED. The District enrollment fluctuates. It is expected that expenditures increase with increased enrollment.

Year	Total Revenues *	Increase %	Total Expenses *
2000/2001	2,516,822	0%	2,551,664
2001/2002	2,886,926	15%	2,908,221
2002/2003	4,514,404	56%	5,211,512
2003/2004	5,752,380	27%	5,680,426
2004/2005	3,152,102	-45%	3,230,588
2005/2006	3,497,169	11%	3,550,617
2006-2007	4,132,870	18%	3,995,021
2007/2008	3,923,827	6%	3,717,908
2008/2009	5,391,333	28%	4,202,518
2009/2010	3,845,106	(29%)	4,642,245
2010/2011	3,666,319	(-5%)	4,352,199

**LOGAN MUNICIPAL SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDING JUNE 30, 2011**

Note: Revenues include proceeds from General Obligation Bonds and exclude cash carryovers; Expenditures include capital outlays.

The Budget

District budgets reflect the same growth as seen in the revenue and expenditures of the District. The State of New Mexico school budget process is defined under state law and regulation. To enhance the process of developing a budget at the school district level, the District utilizes goals and objectives defined by the District's Board, community input meetings, long term plans and input from various staff groups to develop to the District's budget. District priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

Major budgetary funds in these reports are; The General Fund (Operational Fund) (Transportation Fund) and the (Instructional Materials Fund), The Bond Building Fund, The Capital Improvements SB-9 Fund and the Debt Service Fund. In addition, Thirty-one (31) non-major Special Revenue Funds and non-major Projects Funds are also reported for their budgetary performance. The following graphics and tables show the fiscal relationship of the major funds and the combined non-major funds.

The reader will note that the Operational Fund represents 22% of the total fund dollar amount. This fund provides the salary and benefits for the significant majority of the Direct Instruction, Instructional Support, Administration, Business Support, Food Service and Maintenance staff as well as classroom materials, special education consulting staff and fixed utility costs.

Revenue from this fund is substantially derived from the State Equalization Guarantee, which is the funding formula appropriated for education by the State Legislature. The General Fund is explored later in the Management Discussion and Analysis.

The following table examines the summary budget performance of the major and combined nonmajor funds for the fiscal year ending June 30, 2011. Detailed budget performance is examined through the Budgetary Comparison Statement for each major fund and the Schedule of Revenues and Expenditures Budget and Actual for the combined Special Revenue Funds, Capital Projects Funds, and Debt Service.

MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE

Fund Type	Final Budget	Actual	Variance
Operational	2,873,218	2,422,015	451,203
Bond Building	1,573,032	593,233	979,799
Capital Improvements SB-9	226,673	226,635	38
Debt Service	240,308	239,776	532

The General Fund's original budget of \$3,827,675 is \$954,457 more than the final budget of \$2,873,218. The reason for this decrease is the budget is prepared in April, approved in early June and final budget reflects grants and other awards garnered during the year that decreased revenue.

The \$451,203 variance between the final budget in the General Fund and the amount actually spent is the result of decreased revenues resulting in decreased expenditures in these revenue funds as detailed in the application process and award guidelines.

**LOGAN MUNICIPAL SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDING JUNE 30, 2011**

COMBINED NON-MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE

Fund Type	Combined Budget	Actual	Final Variance
Special Revenue Funds	\$590,538	\$526,973	\$63,565

All funds fell within the regulatory criteria set by the Public Education Department and New Mexico Statute. Both the Manual of Procedures for Public School Accounting and NMSA 8-22-5, Annotated require that budget expenditures be within the authorization of the approved budget.

The General Fund

The General Fund revenues represent \$2,806,319 of the total \$3,666,319 in overall District revenues.

The Operational Fund is predominately funded by revenues from the State of New Mexico Equalization Guarantee Formula. This fund pays for teaching staff, teaching support staff, special education support staff, maintenance staff and administration staff. The Operational Fund provides the predominant funding for athletics and food service. Because of the student growth experienced by the School District, an emphasis on schools by the New Mexico Legislature, and because the Equalization Guarantee Formula is based upon student populations, the Operational Fund saw significant increases in revenues through fiscal year 2007 but a change in the funding formula has resulted in a decrease in State Equalization Guarantee funding since for fiscal years 2008 through 2011 as seen in the following table.

Year	Revenues	Increase %
2000-2001	1,739,129	N/A
2001-2002	2,036,856	17%
2002-2003	2,091,714	3%
2003-2004	2,071,638	-1%
2004-2005	2,003,867	-3%
2005-2006	2,257,142	9%
2006-2007	2,724,397	9%
2007-2008	2,602,897	-4%
2008-2009	2,545,755	-3%
2009-2010	2,445,102	-4%
2010-2011	2,434,687	-1%

Because the Operational Fund is the main fund whose expenditures are significantly related to the educational process, \$2,423,891 was expended in the year ending June 30, 2011.

The most significant inter-fund expenditure was for the function noted as "Direct Instruction". This expenditure was \$1,269,418 and represents 52% of all general expenditures. Expenditures included in this function are regular and special education teachers and assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services. Approximately 57% of all Operational Fund expenditures are made for employee salaries, payroll taxes and benefits.

**LOGAN MUNICIPAL SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDING JUNE 30, 2011**

The following discussion on the General Fund Budget will relate functional expenditures for the year ending June 30, 2011 for the Operational Fund. Direct Instruction represents 52% of all Operational Fund expenditures. Direct Instruction expenditures account for regular education, special education and kindergarten teachers and educational assistant salaries, payroll taxes and benefits. Instructional Support represents 20% of Operational Fund expenditures and account for expenditures for school principals, program coordinators, counselors, school nursing staff, librarians, special education ancillary staff and significant support to special education programs through contract ancillary support staff and contract programs.

The Office of the Superintendent and the Business Office represent the overhead support of the entire operations of the District; these programs combined represent 9% of the total Operational Fund. Operation of Plant accounts for 17% of the Operational Fund expenditures. Included in the Operation of the Plant expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies and school custodial supplies. Additional support for maintenance supplies and projects comes from the voter approved SB9 Fund. The Operational Fund also supports expenditures for athletics, food service and transportation.

Capital Assets

Because of aging facilities, the District has taken an aggressive approach to maintaining existing facilities.

Asset Type	Balance June 30, <u>2008</u>	Balance June 30, <u>2009</u>	Balance June 30, <u>2010</u>	Balance June 30, <u>2011</u>
Land & Improvements	7,916,384	7,916,384	8,811,050	9,043,151
Construction in Progress	-	294,508	-	-
Furniture, Fixtures & Equipment	<u>637,402</u>	<u>710,882</u>	<u>738,797</u>	<u>722,836</u>
Total Capital Assets	8,512,786	8,921,774	9,549,847	9,765,987
Less Accumulated Depreciation	(4,170,403)	(4,384,264)	(4,583,926)	(4,652,682)
Capital Assets-Net	4,383,383	4,537,510	4,965,921	5,113,305

In the fiscal year ending June 30, 2011 the Statement of Revenues and Expenditures and Changes in Fund Balances shows the District expended \$346,534 for all capital outlays. The capital outlay expenditures consist mostly of maintenance of equipment and grounds, and library books.

General Long Term Debt

Article IX, Section 11 of the New Mexico Constitution limits the power of a school district to incur general obligation debt beyond a school year unless such debt is for "the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving school grounds or purchasing computer software or hardware for student use in public classrooms or any combination of these purposes." The approval of debt is subject to a vote of the local electors and may not exceed 6% of the assessed valuation of the taxable property within the District.

The School District has never defaulted on any of its debts or other obligations. Listed below is the District's total general obligation debt as of June 30, 2011.

Year Ended June 30	Principal	Interest	Totals
2012	285,000	118,834	403,834
2013	125,000	109,904	234,904
2014	150,000	104,591	254,591
2015	150,000	98,341	248,341
2016	150,000	91,779	241,779
2017-2021	855,000	350,581	1,205,581
2022-2027	<u>945,000</u>	<u>140,870</u>	<u>1,085,870</u>
Total	\$ 2,660,000	\$ 1,014,900	\$ 3,674,900

**LOGAN MUNICIPAL SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDING JUNE 30, 2011**

In 2003, the New Mexico legislature passed some major education reforms known as House Bill 212 that implemented a new three tiered licensure system for classroom teachers. It has had a major impact on the district's budget because it establishes a \$30,000, \$40,000 and a \$50,000 salary minimum for Level I, Level II and Level III teachers. In addition, the legislation provides for a minimum salary for school principals effective in FY 07-08.

It is expected that there will continue to be double-digit inflation in the cost of health and medical insurance benefits provided through the New Mexico Public Schools Insurance Authority in subsequent years. This will have a large budget impact to the district.

The New Mexico Public Schools Insurance Authority also provides general liability, property damage and worker's compensation coverage for all school districts in New Mexico. It is anticipated that for the next several years, that school districts will experience double-digit inflationary increases for this coverage. The cost increases of general liability, property damage and worker's compensation premiums should be included in the funding formula, but because of the high claims history of some districts, those districts will realize a budget shortfall.

The above factors will present some challenges and opportunities for the District to closely review all programs, operations, and staffing levels, in hopes of identifying ways in which to balance its budget in future years. The board of education has indicated their desire to establish a long-range strategic planning committee to help develop plans for coping with the budget challenges.

Contacting the Logan Municipal School

This financial report is designed to provide our community, parents, taxpayers, investors, and creditors with an overview of the Logan Municipal School District's financial condition and to provide accountability for the funds the school district receives. If you have any questions about this report or about the operations of the Logan Municipal School District, please contact:

Pat Copeland Business Manager
Logan Municipal School District
PO Box 67 Logan, NM 88426

e-mail: loganbusiness@plateautel.net

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2011

Exhibit A-1
(Page 1 of 2)

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and temporary investments	\$ 1,579,174
Receivables (net of allowance for uncollectibles)	151,578
Prepaid Assets	2,520
Inventory	<u>37,351</u>
Total current assets	<u>1,770,623</u>
Noncurrent assets:	
Bond issuance costs (net of amortization of \$29,791)	27,424
Capital assets:	
Other capital assets	9,765,987
Less accumulated depreciation	<u>(4,652,682)</u>
Total Capital assets	<u>5,113,305</u>
Total noncurrent assets	<u>5,140,729</u>
Total assets	<u><u>\$ 6,911,352</u></u>

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2011

Exhibit A-1
(Page 2 of 2)

	<u>Governmental Activities</u>
LIABILITIES AND NET ASSETS	
Current liabilities:	
Accounts payable	\$ 80,551
Accrued salaries and benefits	90,383
Accrued interest	27,670
Deferred revenue	23,004
Current portion of long-term debt	<u>285,000</u>
Total current liabilities	506,608
Noncurrent liabilities:	
Bonds, loans and other payables:	
Due in more than one year	<u>2,375,000</u>
Total noncurrent liabilities	2,375,000
Total liabilities	<u>2,881,608</u>
Net assets:	
Invested in capital assets, net of related debt	2,971,525
Restricted	743,793
Assigned	-
Committed	-
Unrestricted	<u>314,426</u>
Total net assets	<u>4,029,744</u>
Total liabilities and net assets	<u><u>\$ 6,911,352</u></u>

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Service</u>
Governmental activities:		
Instruction:		
Direct instruction	\$ 1,734,280	\$ 3,849
Support services:		
Students	182,154	-
Instruction	51,775	5,000
General Administration	194,481	-
School Administration	92,903	-
Central Services	223,135	-
Operation & Maintenance of Plant	418,200	21,920
Student Transportation	342,933	-
Other Support Services	1,258	-
Food Services	238,838	23,669
Capital Outlay	487,012	-
Interest on long-term debt	95,392	-
Total governmental activities	<u>\$ 4,062,361</u>	<u>\$ 54,438</u>

Program Revenues		Net
Operating Grants and Contributions	Capital Grants and Contributions	(Expenses) Revenues and Changes in Net Assets
\$ 322,146	\$ -	\$ (1,408,285)
-	-	(182,154)
-	-	(46,775)
-	-	(194,481)
-	-	(92,903)
-	-	(223,135)
-	61,921	(334,359)
311,359	-	(31,574)
-	-	(1,258)
129,203	-	(85,966)
-	-	(487,012)
-	-	(95,392)
<u>\$ 762,708</u>	<u>\$ 61,921</u>	<u>\$ (3,183,294)</u>

General Revenues:

Property taxes:	
Levied for general purposes	23,244
Levied for debt service	215,927
Levied for capital projects	111,644
Gain on Sale of Assets	3,126
State aid not restricted	2,434,687
Unrestricted investment earnings	6,832
Transfers	498
Total general revenues	<u>2,795,958</u>
Change in net assets	(387,336)
Net assets - beginning	<u>4,417,080</u>
Net assets - ending	<u>\$ 4,029,744</u>

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2011

	General Fund		
	Operational	Transportation	Instructional Materials
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 270,552	\$ 1	\$ 4
Accounts receivable			
Taxes	-	-	-
Due from other governments	2,708	-	-
Other accounts receivable	-	-	-
Interfund receivable	107,556	-	-
Prepaid Assets	2,520	-	-
Inventory	26,292	5,561	-
	<u>\$ 409,628</u>	<u>\$ 5,562</u>	<u>\$ 4</u>
 LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ 10,385	\$ -	\$ -
Accrued salaries and benefits	90,383	-	-
Interfund payable	-	-	-
Deferred revenue	1,207	-	-
	<u>101,975</u>	<u>-</u>	<u>-</u>
 <i>Fund Balances</i>			
Fund Balance			
Non-spendable	-	-	-
Restricted for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Debt Service Funds	-	-	-
Committed for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Assigned for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Unassigned for:			
General Fund	307,653	5,562	4
	<u>307,653</u>	<u>5,562</u>	<u>4</u>
<i>Total fund balances</i>	<u>307,653</u>	<u>5,562</u>	<u>4</u>
 <i>Total liabilities and fund balances</i>	<u>\$ 409,628</u>	<u>\$ 5,562</u>	<u>\$ 4</u>

<u>Bond Building</u>	<u>Capital Improvements SB-9</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 929,441	\$ 80,422	\$ 210,055	\$ 88,699	\$ 1,579,174
-	-	-	-	-
-	13,474	25,482	109,810	151,474
-	-	-	104	104
-	-	-	-	107,556
-	-	-	-	2,520
-	-	-	5,498	37,351
<u>\$ 929,441</u>	<u>\$ 93,896</u>	<u>\$ 235,537</u>	<u>\$ 204,111</u>	<u>\$ 1,878,179</u>
\$ 64,581	\$ 335	\$ -	\$ 5,250	\$ 80,551
-	-	-	-	90,383
-	-	-	107,556	107,556
-	6,663	9,886	23,004	40,760
<u>64,581</u>	<u>6,998</u>	<u>9,886</u>	<u>135,810</u>	<u>319,250</u>
-	-	-	-	-
-	-	-	5,498	5,498
-	-	-	-	-
-	-	-	30,481	30,481
864,860	86,898	-	32,322	984,080
-	-	225,651	-	225,651
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	313,219
<u>864,860</u>	<u>86,898</u>	<u>225,651</u>	<u>68,301</u>	<u>1,558,929</u>
<u>\$ 929,441</u>	<u>\$ 93,896</u>	<u>\$ 235,537</u>	<u>\$ 204,111</u>	<u>\$ 1,878,179</u>

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS

Exhibit B-1
(Page 2 of 2)

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
June 30, 2011

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

Fund balances - total governmental funds	\$	1,558,929
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets		5,113,305
Other assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:		
Bond issuance costs		27,424
Deferred property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in fund financial statements, but are considered revenue in the Statement of Activities		17,756
Other liabilities are not due and payable in the current period and therefore are not reported in the funds - accrued interest payable		(27,670)
Long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and therefore are not reported in the funds		<u>(2,660,000)</u>
Net Assets of Governmental Activities in the Statement of Net Asset:	\$	<u><u>4,029,744</u></u>

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2011

	General Fund		
	Operational	Transportation	Instructional Materials
<i>Revenues:</i>			
Taxes			
Taxes levied/assessed	\$ 22,139	\$ -	\$ -
Local sources			
Tuition	-	-	-
Investment income	1,618	-	-
Food services	-	-	-
District activities	3,032	-	-
Other revenue	20,866	-	-
State sources			
Unrestricted Grants	2,434,687	20,095	-
Restricted Grants	-	291,264	9,492
Federal sources			
Unrestricted Grants	-	-	-
Unrestricted -state passthrough	-	-	-
Restricted Grants	-	-	-
Restricted -state passthrough	-	-	-
Department of Interior	-	-	-
Other items	3,126	-	-
<i>Total revenues</i>	<u>2,485,468</u>	<u>311,359</u>	<u>9,492</u>
<i>Expenditures:</i>			
Current:			
Instruction	1,269,418	-	9,540
Support Services			
Students	152,823	-	-
Instruction	51,775	-	-
General Administration	191,605	-	-
School Administration	92,903	-	-
Central Services	212,981	-	-
Operation & maintenance of plant	417,700	-	-
Student transportation	-	309,428	-
Other Support Services	1,258	-	-
Operation of Non-instructional Services			
Food services operations	33,428	-	-
Capital outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>2,423,891</u>	<u>309,428</u>	<u>9,540</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>61,577</u>	<u>1,931</u>	<u>(48)</u>
<i>Other financing sources (uses)</i>			
Transfers	(15,653)	-	-
Bond Proceeds	-	-	-
<i>Total other financing sources (uses)</i>	<u>(15,653)</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	45,924	1,931	(48)
<i>Fund balances - beginning of year</i>	<u>261,729</u>	<u>3,631</u>	<u>52</u>
<i>Fund balances - end of year</i>	<u>\$ 307,653</u>	<u>\$ 5,562</u>	<u>\$ 4</u>

Bond Building	Capital Improvements SB-9	Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 106,068	\$ 214,400	\$ -	\$ 342,607
-	-	-	-	-
4,141	-	1,073	-	6,832
-	-	-	23,669	23,669
-	-	-	20,988	24,020
-	-	-	-	20,866
-	-	-	-	-
-	-	-	41,963	2,496,745
-	15,397	-	4,728	320,881
-	-	-	-	-
-	-	-	34,654	34,654
-	-	-	133,903	133,903
-	-	-	259,016	259,016
-	-	-	-	-
-	-	-	-	3,126
<u>4,141</u>	<u>121,465</u>	<u>215,473</u>	<u>518,921</u>	<u>3,666,319</u>
-	-	-	313,574	1,592,532
-	-	-	20,272	173,095
-	-	-	-	51,775
-	946	1,930	-	194,481
-	-	-	-	92,903
-	-	-	10,154	223,135
-	-	-	500	418,200
-	-	-	-	309,428
-	-	-	-	1,258
-	-	-	190,572	224,000
607,522	226,024	-	-	833,546
-	-	155,000	-	155,000
-	-	82,846	-	82,846
<u>607,522</u>	<u>226,970</u>	<u>239,776</u>	<u>535,072</u>	<u>4,352,199</u>
<u>(603,381)</u>	<u>(105,505)</u>	<u>(24,303)</u>	<u>(16,151)</u>	<u>(685,880)</u>
-	-	-	16,151	498
<u>1,020,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,020,000</u>
<u>1,020,000</u>	<u>-</u>	<u>-</u>	<u>16,151</u>	<u>1,020,498</u>
416,619	(105,505)	(24,303)	-	334,618
<u>448,241</u>	<u>192,403</u>	<u>249,954</u>	<u>68,301</u>	<u>1,224,311</u>
<u>\$ 864,860</u>	<u>\$ 86,898</u>	<u>\$ 225,651</u>	<u>\$ 68,301</u>	<u>\$ 1,558,929</u>

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Exhibit B-2
 (Page 2 of 2)

For the year Ended June 30, 2011

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

Net change in fund balances - total governmental funds	\$	334,618
--	----	---------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures:		
Current year capital expenditures capitalized		346,534
Depreciation expense		(199,150)

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

Property taxes		8,208
----------------	--	-------

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

Bond issue premium		(20,000)
Amortization of bond issuance costs		(7,166)
Accrued Interest		(5,380)
Proceeds from bond issuance		(1,000,000)
Principal payments on bonds		155,000

	\$	(387,336)
Changes in Net Assets of Governmental Activities		<u><u>(387,336)</u></u>

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
OPERATIONAL FUND

Exhibit C-1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ 30,847	\$ 25,671	\$ 45,170	\$ 19,499
State sources	2,194,002	4,509,132	2,434,687	(2,074,445)
Federal sources	-	-	-	-
Interest	-	-	1,618	1,618
<i>Total revenues</i>	<u>2,224,849</u>	<u>4,534,803</u>	<u>2,481,475</u>	<u>(2,053,328)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,552,672	1,581,501	1,267,718	313,783
Support Services				
Students	202,257	202,257	152,823	49,434
Instruction	53,864	53,864	51,775	2,089
General Administration	206,304	206,304	193,712	12,592
School Administration	100,301	100,301	92,903	7,398
Central Services	1,236,639	222,774	211,471	11,303
Operation & maintenance of plant	445,221	465,455	416,927	48,528
Student transportation	-	-	-	-
Other Support Services	5,918	5,918	1,258	4,660
Operation of Non-instructional Services				
Food services operations	24,499	34,844	33,428	1,416
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,827,675</u>	<u>2,873,218</u>	<u>2,422,015</u>	<u>451,203</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,602,826)</u>	<u>1,661,585</u>	<u>59,460</u>	<u>(1,602,125)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	(15,653)	(15,653)
Designated Cash	1,602,826	(1,661,585)	-	1,661,585
<i>Total other financing sources (uses)</i>	<u>1,602,826</u>	<u>(1,661,585)</u>	<u>(15,653)</u>	<u>1,645,932</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>43,807</u>	<u>43,807</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>197,221</u>	<u>197,221</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 241,028</u>	<u>\$ 241,028</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 43,807	
Adjustment to revenues for accruals and other deferrals			4,149	
Adjustment to expenditures for payables, prepaids and other accruals			(2,662)	
Net change in fund balance (GAAP Basis)			<u>\$ 45,294</u>	

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
TRANSPORTATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	190,217	311,359	121,142
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>190,217</u>	<u>311,359</u>	<u>121,142</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	227,489	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	227,489	311,360	309,428	1,932
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>454,978</u>	<u>311,360</u>	<u>309,428</u>	<u>1,932</u>
<i>Excess (deficiency) of revenues</i>				
<i>over (under) expenditures</i>	<u>(454,978)</u>	<u>(121,143)</u>	<u>1,931</u>	<u>123,074</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	454,978	121,143	-	(121,143)
<i>Total other financing sources (uses)</i>	<u>454,978</u>	<u>121,143</u>	<u>-</u>	<u>(121,143)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,931</u>	<u>1,931</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,932</u>	<u>\$ 1,932</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 1,931	
Adjustment to revenues for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ 1,931</u>	

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
INSTRUCTIONAL MATERIALS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	6,960	9,492	2,532
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,960</u>	<u>9,492</u>	<u>2,532</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	8,224	9,540	9,540	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>8,224</u>	<u>9,540</u>	<u>9,540</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(8,224)</u>	<u>(2,580)</u>	<u>(48)</u>	<u>2,532</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	8,224	2,580	-	(2,580)
<i>Total other financing sources (uses)</i>	<u>8,224</u>	<u>2,580</u>	<u>-</u>	<u>(2,580)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(48)</u>	<u>(48)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>52</u>	<u>52</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 4</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (48)	
Adjustment to revenues for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ (48)</u>	

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 June 30, 2011

ASSETS

Current Assets

Cash		\$ <u>29,630</u>
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<i>Total assets</i>		\$ <u><u>29,630</u></u>
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LIABILITIES

Current Liabilities

Deposits held in trust for others		\$ <u>29,630</u>
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<i>Total liabilities</i>		\$ <u><u>29,630</u></u>
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STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies

Logan Municipal Schools is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of the City of Logan. 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.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of Logan Municipal Schools management who is responsible for their integrity and objectivity. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the government's accounting policies are described below.

A. *Financial Reporting Entity*

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

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the District has no component units, and is not a component unit of another governmental agency.

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

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

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

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

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

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

The *Transportation Fund* is used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children.

The *Instructional Materials Fund* is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Bond Building Capital Project* fund is used to account for resources received from the Department of Education state equalization guarantee for use in remodeling and equipping classroom facilities.

The *Capital Improvements SB-9 Capital Projects Fund* is used to account for the revenue derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

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.

Additionally, the government reports the following fund types:

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

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

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

Investments for the District are reported at fair value. The State Treasurer's 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.

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

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

The District receives monthly income from a tax levy in Quay County. The funds are collected by the County Treasurers and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurers in July and August 2011 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2011.

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

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the New Mexico Public Education Department "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. The districts are allowed to carry forward unused allocations from year to year.

STATE OF NEW MEXICO
 Logan Municipal Schools
 Notes to the Financial Statements
 June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Inventory: Inventory is valued at cost utilizing the purchase basis of accounting. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as expenditures at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20-50
Equipment, vehicles, software and library	3-15

Deferred Revenues: Accounting principles generally accepted in the United States of America require that grant revenue be recognized at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as deferred revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resources measurement focus are reported as deferred revenues in the governmental fund financial statements.

Compensated Absences: The District contracts with all employees on an annual basis. A terminated employee is paid through the date of dismissal in accordance with their contract. Due to this practice, no liability is reported for unpaid vacation or accumulated sick leave, as no payment is required upon termination of service by employees.

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 discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

Fund Equity: Restricted fund balance represents amounts that are constrained either by: 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or 2) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance represents amounts that are useable only for specific purposes by formal action of the government's highest level of decision-making authority.

Assigned fund balance represents amounts that are intended to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the governing body or a subordinate high-level body or official whom the governing body has delegated.

Unassigned fund balance is the residual classification for the general fund and represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes.

The District's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

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

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

E. *Revenues*

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration: 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size of district, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$2,434,687 in state equalization guarantee distributions during the year ended June 30, 2011.

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$340,047 in tax revenues in the governmental fund financial statements during the year ended June 30, 2011. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K-12 attending public school within the school district. The District received \$232,551 in transportation distributions during the year ended June 30, 2011.

Instructional Materials: The District had allocations allowed by the State for the current year of \$9,492. The full amount of allocations used to purchase textbooks during the year was \$11,128. Allocations received and utilized are reflected in revenue and expenditures of the General Fund.

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the 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. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as a designated portion of fund balance.

Actual expenditures may not exceed the budget on a line item basis, 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:

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 2. Stewardship, Compliance and Accountability (continued)

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting is open for the general public unless a closed meeting has been called.
4. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.
6. Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.

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

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

NOTE 3. Cash and Temporary Investments

State statutes authorize the investment of the District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed state investment requirements as of June 30, 2011.

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

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

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

The collateral pledged is listed on Schedule 1 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, District or political subdivision of the State of New Mexico.

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 3. Cash and Temporary Investments (continued)

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. The Frank Dodd Act of 2010 required that all funds in a non-interest bearing bank account be fully insured by the FDIC through December 31, 2012. Logan Municipal Schools funds are in an interest bearing account and therefore are not subject to the Frank Dodd Act.

Deposits

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 a least one half of the amount on deposit with the institution. The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

<u>Type</u>	<u>First National Bank of NM</u>
Checking- Activity	\$ 120,013
Checking-Operational	<u>1,578,826</u>
Total Deposits	1,698,839
Less: FDIC Coverage	<u>(370,013)</u>
Uninsured Amount	1,328,826
50% Collateral requirement	664,413
Pledged Securities (Schedule 1)	<u>1,040,000</u>
(Over) Under collateralized	<u>\$ (375,587)</u>
Custodial Credit Risk-Deposits	
Account Balance	\$ 1,698,839
FDIC Insured	250,000
Collateral:	
Collateral held by the pledging bank, not in the District's name	1,040,000
Uninsured and uncollateralized	<u>408,839</u>
Total Deposits	<u>\$ 1,698,839</u>

Custodial credit risk is the risk that in the event of a bank failure, the governments' deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2011, \$408,839 of the District's bank balance of \$1,698,839 was exposed to custodial credit risk.

Custodial Credit Risk- Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy for custodial credit risk. New Mexico State Statutes require collateral pledged to be delivered for the securities underlying an overnight repurchase agreement, or a joint safekeeping receipt to be issued to the District for at least one hundred and two percent of the fair value of the securities underlying overnight repurchase accounts invested with the institution.

STATE OF NEW MEXICO
 Logan Municipal Schools
 Notes to the Financial Statements
 June 30, 2011

NOTE 3. Cash and Temporary Investments (continued)

At June 30, 2011, the Districts' investment balances were exposed to custodial credit risk as follows:

Investment in the State Treasurer Local Government Investment Pool	<u>\$ 15</u>
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The New MexiGrow Local Governmental Investment Pool's (LGIP) investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP is not SEC registered. The New Mexico State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance, in accordance with Sections 6-10-10 I through 6-10-10-P and Section 6-10-10.1 A and E, NMSA 1978. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 19078, as 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 fund amounts were invested. Participation in the LGIP is voluntary.

Interest Rate Risk and Credit Rating-Investment in State Treasurer's LGIP

The District does not have a formal policy limiting investment maturities to manage its exposure to fair value losses from increasing interest rates. The District's investments at June 30, 2011 include the following:

State Treasurer Local Government Investment Pool	AAAm	36-day WAM	<u>\$ 15</u>
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Reconciliation of Cash and Temporary Investments

Governmental Funds - Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 1,579,169
Cash per Fiduciary Statement	<u>29,630</u>
Balance per Financial Statements	<u>\$ 1,608,799</u>

NOTE 4. Accounts Payables and Accrued Expenses

Accounts payable and Accrued Expenses as of June 30, 2011, are as follows:

Payable to suppliers	\$ 80,551
Accrued salaries	90,383
Accrued interest	<u>27,670</u>
Total Accounts Payable and Accrued Expenses	<u>\$ 198,604</u>

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 5. Interfund Receivables, Payables, and Transfers

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received.

The composition of interfund balances during the year ended June 30, 2011 is as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 107,556	\$ -
Title I	-	41,851
IDEA B Entitlement	-	12,568
IDEA B Preschool	-	41,307
Fresh Fruits and Vegetables	-	1,243
Title I Stimulus	-	1,808
Safe & Drug Free Schools	-	771
Preschool Initiative	-	8,008
	\$ 107,556	\$ 107,556

NOTE 6. Accounts Receivable

Accounts receivable as of June 30, 2011, are as follows:

	General Fund	Capital Improvements SB-9	Debt Service	Other Governmental Funds	Total
			\$		
Property taxes	\$ 2,708	13,474	\$ 25,482	\$ -	\$ 41,664
Miscellaneous	-	-	-	104	104
Due from other governments:					
Athletics	-	-	-	2,254	2,254
Title I	-	-	-	41,851	41,851
Idea B Entitlement	-	-	-	12,568	12,568
Fresh Fruits and Vegetables	-	-	-	1,243	1,243
Title I Federal Stimulus	-	-	-	1,808	1,808
Safe and Drug Free Schools	-	-	-	771	771
Preschool Initiative	-	-	-	8,008	8,008
YCCC	-	-	-	41,307	41,307
	\$ 2,708	\$ 13,474	\$25,482	\$ 109,914	\$ 151,578

The above receivables are deemed 100% collectible.

Deferred Revenues

Deferred revenue represents advances on grants which have not been earned at June 30, 2011.

	Governmental	Total
Federal Awards	\$ 23,004	\$ 23,004

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 7. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2011, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land is not subject to depreciation.

	<u>Balance June 30, 2010</u>	<u>Additions and Transfers In</u>	<u>Deletions and Transfers Out</u>	<u>Balance June 30, 2011</u>
Capital assets not being depreciated:				
Land	\$ 41,000	\$ 25,766	\$ -	\$ 66,766
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets not being depreciated	<u>41,000</u>	<u>25,766</u>	<u>-</u>	<u>66,766</u>
Capital assets being depreciated:				
Buildings and improvements	8,770,050	206,335	-	8,976,385
Equipment, Vehicles, Software and Library	<u>738,797</u>	<u>114,433</u>	<u>130,394</u>	<u>722,836</u>
Total capital assets being depreciated	<u>9,508,847</u>	<u>320,768</u>	<u>130,394</u>	<u>9,699,221</u>
Total capital assets	<u>9,549,847</u>	<u>346,534</u>	<u>130,394</u>	<u>9,765,987</u>
Less accumulated depreciation:				
Buildings and improvements	3,856,704	130,797	-	3,987,501
Equipment, Vehicles, Software and Library Books	<u>727,222</u>	<u>68,353</u>	<u>130,394</u>	<u>665,181</u>
Total accumulated depreciation	<u>4,583,926</u>	<u>199,150</u>	<u>130,394</u>	<u>4,652,682</u>
Total capital assets net of depreciation	<u>\$ 4,965,921</u>	<u>\$ 147,384</u>	<u>\$ -</u>	<u>\$ 5,113,305</u>

Capital assets, net of accumulated depreciation, at June 30, 2011 appear in the Statement of Net Assets as follows:

Governmental activities	\$ 5,113,305
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Depreciation expense for the year ended June 30, 2011 was charged to the following functions and funds:

Governmental activities:	
Direct instruction	\$ 141,748
Instructional support	9,059
Food Services	14,838
Pupil Transportation	<u>33,505</u>
	<u>\$ 199,150</u>

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 8. Long-term Debt

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2011 are for governmental activities. The following bonds were issued for the purpose of erecting, furnishing, remodeling and making additions to District buildings and improving District grounds. A tax is annually assessed, levied and collected upon all taxable property within the District for the purpose of providing the necessary funds to meet the interest and principal payments as they become due.

Bonds outstanding at June 30, 2011, are comprised of the following:

Series	Date of Issue	Amount	Interest Rate	Balance
			4.875%-	
2001	7/15/2001	\$ 990,000	6.375%	\$160,000
2009	1/15/09	\$1,500,000	4.2%-5.25%	\$1,500,000
2011	4/15/11	\$1,000,000	3.0%-5.0%	\$1,000,000

The following is a summary of the long-term debt and the activity for the year ended June 30, 2011:

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011	Due Within One Year
General obligation bonds					
Series 7/15/2001	\$ 315,000	\$ -	\$ 155,000	\$ 160,000	\$ 160,000
Series 1/15/2009	1,500,000	-	-	1,500,000	-
Series 4/15/2011	-	1,000,000	-	1,000,000	-
	<u>\$ 1,815,000</u>	<u>\$1,000,000</u>	<u>\$ 155,000</u>	<u>\$ 2,660,000</u>	<u>\$ 160,000</u>

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

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	160,000	3,680	163,680
	<u>\$ 160,000</u>	<u>\$ 3,680</u>	<u>\$ 163,680</u>

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	125,000	71,844	196,844
2013	125,000	66,594	191,594
2014	125,000	61,281	186,281
2015	125,000	55,781	180,781
2016	125,000	49,969	174,969
2017-2021	625,000	158,281	783,281
2022-2023	250,000	19,500	269,500
	<u>\$ 1,500,000</u>	<u>\$ 483,250</u>	<u>\$ 1,983,250</u>

STATE OF NEW MEXICO
 Logan Municipal Schools
 Notes to the Financial Statements
 June 30, 2011

NOTE 8. Long-term Debt (continued)

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	-	43,310	43,310
2013	-	43,310	43,310
2014	25,000	43,310	68,310
2015	25,000	42,560	67,560
2016	25,000	41,810	66,810
2017-2021	230,000	192,300	422,300
2022-2023	695,000	121,370	816,370
	<u>\$ 1,000,000</u>	<u>\$ 527,970</u>	<u>\$ 1,527,970</u>

Reconciliation of Long-Term Debt to the Statement of Net Assets

Total Long term debt	\$ 2,660,000
Net Issue Costs/Premium/Discounts on Bond Issues	(64,381)
Accumulated Amortization	36,957
	<u>\$ 2,632,576</u>

The payments made to liquidate the debt are usually paid by the debt service fund.

NOTE 9. Risk Management

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

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

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2011, there have been no claims that have exceeded insurance coverage.

NOTE 10. Other Required Individual Fund Disclosures

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

- A. Deficit fund balance – There are no instances of deficit fund balances.
- B. Excess Expenditures over budget. There are no instances of excess expenditures over budget as of June 30, 2011.

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 11. ERA Pension Plan

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

Funding Policy. Effective July 1, 2009 through June 30, 2011, plan members were required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.4% of their gross salary. The Logan Municipal Schools was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 10.9% of the gross covered salary of employees earning more than \$20,000 annually. Effective July 1, 2011 plan members are required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually are required to contribute 11.15% of their gross salary. The Logan Municipal Schools is required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 9.15% of the gross covered salary of employees earning more than \$20,000 annually. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2011, 2010, and 2009, were \$183,911, \$207,039, and 330,775, respectively.

STATE OF NEW MEXICO
 Logan Municipal Schools
 Notes to the Financial Statements
 June 30, 2011

NOTE 12. Post-Employment Benefits

Plan Description. Logan Municipal Schools contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies. Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years. The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us. 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, 2011, the statute required each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee was required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 and 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 contribution rates will be:

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY12	1.834%	.917%
FY13	2.000%	1.000%

Also, employers joining the program after 1/1/98 are required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals. The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature. The District's contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were \$27,688, \$23,328 and \$22,450 respectively, which equal the required contributions for each year.

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 13. Contingent Liabilities

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

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

NOTE 14. Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2011 was \$9,266.

NOTE 15. Surety Bond

The officials and certain employees of the District are covered by a surety bond as required by Section 12-6-7, NMSA, and 1978 Compilation.

NOTE 16. Memorandum of Understanding

REC

Purpose: To allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the USDE under the Education of the Handicapped Act, Part B, PL 94-142 among others.

Participants: Regional Education Cooperative and Logan Municipal Schools

Responsible Party for Operation and Audit: Regional Education Cooperative

Beginning and Ending Date of Agreement: July 1, 1995 until the end of any fiscal year during which the school give notice of intent to terminate.

Total Estimated Amount of Project and Actual Amount Contributed: The REC paid expenditures on behalf of the District.

Quay County

Purpose: To implement the "Protecting you/Protecting me" Program to improve the health of children living in the Logan School District.

Participants: Quay County MCCH Council and Logan Municipal Schools

Responsible Party for Operation and Audit: Regional Education Cooperative

Beginning and Ending Date of Agreement: July 1, 2010 until June 30, 2011.

Total Estimated Amount of Project and Actual Amount Contributed: Unknown

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 16. Memorandum of Understanding (continued)

Energy Minerals and Natural Resources Department

Purpose: Provide for the joint use of certain baseball fields near Ute Lake.

Participants: New Mexico EMNRD and Logan Municipal Schools.

Responsibility: Both parties will repair and maintain the baseball fields.

Beginning and ending dates of agreement: April 4, 2008 until April 4, 2012.

Estimated costs: Total costs are unknown but the parties will share repair and maintenance costs.

NMHU/RNNM Gear Up

Purpose: Develop the capability of Logan Municipal Schools under an educational model which emphasizes the development of reading comprehension; math; science skills with a student incentive component and a stipend for teachers linked to academic performance.

Participants-New Mexico Highlands University and Logan Municipal Schools.

Responsibility: Support NMHU Gear Up model, and avail data related to the project on a timely basis.

Beginning and ending dates of agreement: 2007 through 2013.

Estimated costs: Total costs are unknown but NMHU will be responsible for financial support.

Mesalands Community College Dual Enrollment Agreement

Purpose: Mesalands Community College will provide higher education to qualified Logan High School junior and senior students in both technical and arts and science courses.

Participants: Mesalands Community College and Logan Municipal Schools.

Responsibility: Logan Municipal Schools will be responsible for tuition and enrollment fees for the enrolled students.

Beginning and ending dates of agreement: July 1, 2010 to June 30, 2011

Estimated costs: Total costs are dependent on the number of enrolled students and is the sole responsibility of Logan Municipal Schools.

STATE OF NEW MEXICO
Logan Municipal Schools
Notes to the Financial Statements
June 30, 2011

NOTE 16. Memorandum of Understanding (continued)

Sun Safety

Purpose: Logan Municipal Schools will provide training and education to students regarding sun safety and the risks of skin cancer.

Participants: NM Department of Health and Logan Municipal Schools.

Responsibility: NM Department of Health will be responsible for the costs up to \$5,000.

Beginning and ending dates of agreement: July 1, 2010 to June 29, 2011

Estimated costs: NM Department of Health will provide \$5,000 for the cost of the program.

NOTE 17. Subsequent Accounting Standard Pronouncements

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. That Statement supersedes Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. Statement 62 is effective for financial statements for periods beginning after December 15, 2011, with early application encouraged. The objective of this statement is to provide non-conflicting pronouncements between FASB and GASB. The District is reviewing the effects of the implementation of this statement.

In June 2011, the GASB issued Statement No. 63, *Financial reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and net Position* which is effective for financial statements for periods beginning after December 15, 2011. Earlier application is encouraged. The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The District is reviewing the effects of the implementation of this statement.

NOTE 18. Subsequent Events Review

Logan Municipal Schools has evaluated subsequent events through August 19, 2011, which is the date the financial statements were dated.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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SPECIAL REVENUE FUNDS

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

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

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

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

IDEA B Entitlement – The purpose of this program is to account for revenue used to help maximize the resources in meeting the objective of handicapped children. The federal revenues in this fund are received from and administered by the New Mexico Department of Education. Authority for the creation of this fund is Part B of the Handicapped Act, Public Law 105-17.

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

Fresh Fruits and Vegetables – The objective of this program is to combat childhood obesity by helping children learn healthier eating habits. The program is used primarily to purchase unique fresh fruit and vegetables and must be made available to all students. Authority for creation of this fund is Public Law 110-234.

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

Enhancing Education through Technology - The objective of the federal grant is to strengthen teacher learning in the field of technology. The fund was created by the authority of federal grant provision. (PL 103-382)

SPECIAL REVENUE FUNDS

Teacher Principal Training – The purpose of this fund is to improve the skills of teachers and the quality of instruction in mathematics and science and also to increase the accessibility of such instruction to all students. Authority for creation of this fund is Title II of the Elementary and Secondary Education Act of 1965 as amended, Public Law 103-382.

Safe and Drug Free Schools – The purpose of this fund is to account for a federal grant restricted to the establishment and implementation of substance abuse education and prevention programs in the elementary and secondary schools. The Authority for the creation of this fund is ESEA 1965, Title IV, Part A as amended, 20 USC 71112-7143.

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

IDEA B Entitlement Federal Stimulus- The purpose of this program is to account for revenue used to help maximize the resources in meeting the objective of handicapped children. The federal revenues in this fund are received from and administered by the New Mexico Department of Education. Authority for the creation of this fund is Part B of the Handicapped Act, Public Law 105-17.

State Stimulus Breakfast - The objective of these funds is to assist in state breakfast program assistance for select school districts within New Mexico. Authority for creation of this fund is the American Recovery and Reinvestment Act of 2009.

Rural Education Achievement Program- The objective is to provide financial assistance to rural district to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act of 1965 (ESEA, Title VI, Part B, as amended).

State Stabilization SEG Federal Stimulus- The objective is to provide funding equal to the 2006 base year to assist with the budget crises. Authority is the American Recovery and Reinvestment Act of 2009.

Education Job Fund- The objective is to provide funding for educational jobs and related services for early childhood, elementary, and secondary education at the school level. Authority is the federal Education Jobs Fund Program.

Dual Credit Fund- The objective is to account for the monies received from NMHU for the purpose of dual credit college enrollment for qualified high school seniors.

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

TANF Full Day Kindergarten –The purpose of this fund is to account for the revenues and expenditures for kindergarten students. The fund was created by provision of the grant award.

Incentives for School Improvement – The purpose of this state grant is to provide funds for use in providing student educational trips, automation of the District's libraries, and other educational materials. Authority for creation of this fund is Laws of 1997, Chapter 32.

Legislative Appropriation- Laws of NM 2005 – The purpose is to account for revenues and expenditures from a state grant to provide professional development, library materials and educational technology. Funding provided by the State of New Mexico.

SPECIAL REVENUE FUNDS

Preschool Initiative – The purpose of this fund is to provide special education and related services to pre-school students and also to increase the accessibility of such instruction to all students. Authority for creation of this fund is the grant award.

Beginning Teacher Mentoring- These funds were intended and used to help beginning (Level I) teachers become more proficient through the guidance of more experienced Level II and especially Level III professional staff.

Preschool CYFD-The purpose of this fund is to account for revenues and expenditures related to preschool activities. The fund was created by provision of the grant award.

YCCC- The purpose of this fund is to account for the expenses associated with seasonal employment of youths.

CATCH- The purpose of this fund is to provide equipment sets and all necessary Teacher manuals and workbooks for the classroom curriculum.

ENMR- These funds are capital credits that are dispersed back to members of the Eastern NM Telephone Cooperative member. Funds were used to off-set communication expenses.

McCune Charitable Foundation – The objective of this program is to teach communication, self-esteem and problem solving skills. The fund was created by provisions in a contract.

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CAPITAL PROJECTS FUNDS

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

The District has one separate fund classified as non-major Capital Projects Funds as follows:

Special Public School Capital Outlay-State-The purpose of this fund is to account for capital projects funded from awards made by the Public School Capital Outlay Council.

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2011

ASSETS	Food Service	Athletics	Title I	IDEA-B Entitlement
<i>Current Assets</i>				
Cash and cash equivalents	\$ 29,180	\$ 3,692	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	2,254	41,851	12,568
Other accounts receivable	104	-	-	-
Interfund receivable	-	-	-	-
Prepaid Assets	-	-	-	-
Inventory	5,498	-	-	-
	<u>34,782</u>	<u>5,946</u>	<u>41,851</u>	<u>12,568</u>
<i>Total assets</i>	<u>\$ 34,782</u>	<u>\$ 5,946</u>	<u>\$ 41,851</u>	<u>\$ 12,568</u>
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities</i>				
Accounts payable	\$ 2,254	\$ 2,496	\$ -	\$ -
Accrued salaries and benefits	-	-	-	-
Interfund payable	-	-	41,851	12,568
Deferred revenue	-	-	-	-
	<u>2,254</u>	<u>2,496</u>	<u>41,851</u>	<u>12,568</u>
<i>Total liabilities</i>	<u>2,254</u>	<u>2,496</u>	<u>41,851</u>	<u>12,568</u>
<i>Fund Balances</i>				
Fund Balance				
Non-spendable	5,498	-	-	-
Restricted for:				
General Fund	-	-	-	-
Special Revenue Funds	27,030	3,450	-	-
Capital Projects Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Committed for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Assigned for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Unassigned for:				
General Fund	-	-	-	-
	<u>32,528</u>	<u>3,450</u>	<u>-</u>	<u>-</u>
<i>Total fund balances</i>	<u>32,528</u>	<u>3,450</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 34,782</u>	<u>\$ 5,946</u>	<u>\$ 41,851</u>	<u>\$ 12,568</u>

IDEA-B Preschool	Fresh Fruits and Vegetables	IDEA-B Risk Pool	Enhancing Education Thru Technology	Teacher/Principal Training
\$ -	\$ -	\$ -	\$ -	\$ 217
-	-	-	-	-
-	1,243	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>1,243</u>	<u>-</u>	<u>-</u>	<u>217</u>
<u>\$ -</u>	<u>\$ 1,243</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 217</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	1,243	-	-	-
-	-	-	-	217
<u>-</u>	<u>1,243</u>	<u>-</u>	<u>-</u>	<u>217</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 1,243</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 217</u>

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2011

	Safe and Drug Free Schools	Title I Federal Stimulus	IDEA B Entitlement Federal Stimulus	State Stimulus Breakfast
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	771	1,808	-	-
Other accounts receivable	-	-	-	-
Interfund receivable	-	-	-	-
Prepaid Assets	-	-	-	-
Inventory	-	-	-	-
	-	-	-	-
<i>Total assets</i>	\$ 771	\$ 1,808	\$ -	\$ -
 LIABILITIES AND FUND BALANCE				
<i>Current Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-	-
Interfund payable	771	1,808	-	-
Deferred revenue	-	-	-	-
	-	-	-	-
<i>Total liabilities</i>	771	1,808	-	-
 <i>Fund Balances</i>				
Fund Balance				
Non-spendable	-	-	-	-
Restricted for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Committed for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Assigned for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Unassigned for:				
General Fund	-	-	-	-
	-	-	-	-
<i>Total fund balances</i>	-	-	-	-
<i>Total liabilities and fund balances</i>	\$ 771	\$ 1,808	\$ -	\$ -

Rural Education Achievement Program	State Stabilization SEG Stimulus	Education Job Fund	Dual Credit Fund	Technology for Education
\$ 22,754	\$ -	\$ -	\$ -	\$ 376
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 22,754</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376</u>
\$ 500	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
<u>22,254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376</u>
<u>22,754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 22,754</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376</u>

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2011

	TANF Full Day Kindergarten	Incentives for School Improvement	Legislative Appropriations Laws of 2005	Preschool Initiative
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	\$ 1	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	8,008
Other accounts receivable	-	-	-	-
Interfund receivable	-	-	-	-
Prepaid Assets	-	-	-	-
Inventory	-	-	-	-
	-	-	-	-
<i>Total assets</i>	\$ -	\$ 1	\$ -	\$ 8,008
 LIABILITIES AND FUND BALANCES				
<i>Current Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-	-
Interfund payable	-	-	-	8,008
Deferred revenue	-	-	-	-
	-	-	-	-
<i>Total liabilities</i>	-	-	-	8,008
 <i>Fund Balances</i>				
Fund Balances				
Non-spendable	-	-	-	-
Restricted for:				
General Fund	-	-	-	-
Special Revenue Funds	-	1	-	-
Capital Projects Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Committed for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Assigned for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Unassigned for:				
General Fund	-	-	-	-
	-	-	-	-
<i>Total fund balances</i>	-	1	-	-
<i>Total liabilities and fund balances</i>	\$ -	\$ 1	\$ -	\$ 8,008

Beginning Teacher Mentoring	Preschool CYFD	YCCC Fund	CATCH Fund	ENMR Fund
\$ 157	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	41,307	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>157</u>	<u>-</u>	<u>41,307</u>	<u>-</u>	<u>-</u>
\$ 157	\$ -	\$ 41,307	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	41,307	-	-
<u>157</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>157</u>	<u>-</u>	<u>41,307</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>157</u>	<u>-</u>	<u>41,307</u>	<u>-</u>	<u>-</u>

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2011

Statement A-1
(Page 4 of 4)

	McCune Foundation	Special Capital Outlay State	Total Nonmajor Governmental Funds
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	\$ 32,322	\$ 88,699
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	109,810
Other accounts receivable	-	-	104
Interfund receivable	-	-	-
Prepaid Assets	-	-	-
Inventory	-	-	5,498
	-	-	5,498
<i>Total assets</i>	\$ -	\$ 32,322	\$ 204,111
 LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ 5,250
Accrued salaries and benefits	-	-	-
Interfund payable	-	-	107,556
Deferred revenue	-	-	23,004
	-	-	23,004
<i>Total liabilities</i>	-	-	135,810
 <i>Fund Balances</i>			
Fund Balances			
Non-spendable	-	-	5,498
Restricted for:			
General Fund	-	-	-
Special Revenue Funds	-	-	30,481
Capital Projects Funds	-	32,322	32,322
Debt Service Funds	-	-	-
Committed for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Assigned for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Unassigned for:			
General Fund	-	-	-
	-	-	-
<i>Total fund balances</i>	-	32,322	68,301
<i>Total liabilities and fund balances</i>	\$ -	\$ 32,322	\$ 204,111

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2011

	Food Service	Athletics	Title I	IDEA-B Entitlement
<i>Revenues</i>				
Taxes	\$	\$	\$	\$
Taxes levied/assessed	-	-	-	-
Local sources				
Tuition	-	-	-	-
Investment income	-	-	-	-
Food services	23,669	-	-	-
District activities	-	20,988	-	-
Other revenue	-	-	-	-
State sources				
Unrestricted Grants	-	-	-	-
Restricted Grants	-	-	-	-
Federal sources				
Unrestricted Grants	-	-	-	-
Unrestricted -state passthrough	-	-	-	-
Restricted Grants	-	-	-	-
Restricted -state passthrough	116,653	-	62,606	45,613
Department of Interior	-	-	-	-
Other items	-	-	-	-
<i>Total revenues</i>	<u>140,322</u>	<u>20,988</u>	<u>62,606</u>	<u>45,613</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	23,115	60,035	58,495
Support Services				
Students	-	-	3,653	1,200
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	608	-
Operation & maintenance of plant	-	-	-	500
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	136,715	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>136,715</u>	<u>23,115</u>	<u>64,296</u>	<u>60,195</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>3,607</u>	<u>(2,127)</u>	<u>(1,690)</u>	<u>(14,582)</u>
<i>Other financing sources (uses)</i>				
Transfers	-	-	1,690	14,582
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>1,690</u>	<u>14,582</u>
<i>Net changes in fund balances</i>	3,607	(2,127)	-	-
<i>Fund balances - beginning of year</i>	<u>28,921</u>	<u>5,577</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 32,528</u>	<u>\$ 3,450</u>	<u>\$ -</u>	<u>\$ -</u>

IDEA-B Preschool	Fresh Fruits and Vegetables	IDEA-B Risk Pool	Enhancing Education Thru Technology	Teacher/Principal Taining
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
5,430	5,950	444	727	12,026
-	-	-	-	-
-	-	-	-	-
<u>5,430</u>	<u>5,950</u>	<u>444</u>	<u>727</u>	<u>12,026</u>
5,430	-	444	-	12,026
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	5,950	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>5,430</u>	<u>5,950</u>	<u>444</u>	<u>-</u>	<u>12,026</u>
-	-	-	<u>727</u>	-
-	-	-	<u>(727)</u>	-
-	-	-	<u>(727)</u>	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2011

	Safe and Drug Free Schools	Title I Federal Stimulus	IDEA B Entitlement Federal Stimulus	State Stimulus Breakfast
<i>Revenues:</i>				
Taxes	\$	\$	\$	\$
Taxes levied/assessed	-	-	-	-
Local sources				
Tuition	-	-	-	-
Investment income	-	-	-	-
Food services	-	-	-	-
District activities	-	-	-	-
Other revenue	-	-	-	-
State sources				
Unrestricted Grants	-	-	-	-
Restricted Grants	-	-	-	-
Federal sources				
Unrestricted Grants	-	-	-	-
Unrestricted -state passthrough	-	-	-	-
Restricted Grants	-	-	-	-
Restricted -state passthrough	(26)	2,586	407	6,600
Department of Interior	-	-	-	-
Other items	-	-	-	-
<i>Total revenues</i>	<u>(26)</u>	<u>2,586</u>	<u>407</u>	<u>6,600</u>
<i>Expenditures:</i>				
Current:				
Instruction	771	2,586	407	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	6,600
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>771</u>	<u>2,586</u>	<u>407</u>	<u>6,600</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(797)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers	797	-	-	-
<i>Total other financing sources (uses)</i>	<u>797</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Rural Education Achievement Program	State Stabilization SEG Federal Stimulus	Education Job Fund	Dual Credit	Technology For Education
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	4,333	(376)
-	-	-	-	-
37,450	26,400	70,053	-	-
-	-	-	-	-
-	-	-	-	-
<u>37,450</u>	<u>26,400</u>	<u>70,053</u>	<u>4,333</u>	<u>(376)</u>
37,450	1,435	70,053	4,333	1,683
-	15,419	-	-	-
-	-	-	-	-
-	-	-	-	-
-	9,546	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>37,450</u>	<u>26,400</u>	<u>70,053</u>	<u>4,333</u>	<u>1,683</u>
-	-	-	-	(2,059)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(2,059)
-	-	-	-	2,059
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2011

	TANF Full Day Kindergarten	Incentives For School Improvement	Legislative Appropriations Laws of 2005	Pre-School Initiative
<i>Revenues:</i>				
Taxes	\$	\$	\$	\$
Taxes levied/assessed	-	-	-	-
Local sources				
Tuition	-	-	-	-
Investment income	-	-	-	-
Food services	-	-	-	-
District activities	-	-	-	-
Other revenue	-	-	-	-
State sources				
Unrestricted Grants	-	156	-	-
Restricted Grants	-	-	771	-
Federal sources				
Unrestricted Grants	-	-	-	-
Unrestricted -state passthrough	-	-	-	34,811
Restricted Grants	-	-	-	-
Restricted -state passthrough	-	-	-	-
Department of Interior	-	-	-	-
Other items	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>156</u>	<u>771</u>	<u>34,811</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	34,811
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,811</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>156</u>	<u>771</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers	-	1	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	157	771	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>(156)</u>	<u>(771)</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>

Beginning Teacher Mentoring	CYFD Preschool	YCCC Fund	CATCH Fund	ENMR Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	41,307	500	-
-	-	-	-	-
(157)	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(157)</u>	<u>-</u>	<u>41,307</u>	<u>500</u>	<u>-</u>
-	-	-	500	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	41,307	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>41,307</u>	<u>500</u>	<u>-</u>
<u>(157)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(148)</u>	<u>-</u>	<u>-</u>	<u>(11)</u>
<u>-</u>	<u>(148)</u>	<u>-</u>	<u>-</u>	<u>(11)</u>
(157)	(148)	-	-	(11)
<u>157</u>	<u>148</u>	<u>-</u>	<u>-</u>	<u>11</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2011

Statement A-2
(Page 4 of 4)

	McCune Foundation	Special Public School Capital Outlay - State	Total Nonmajor Governmental Funds
<i>Revenues:</i>			
Taxes	\$	\$	\$
Taxes levied/assessed	-	-	-
Local sources			
Tuition	-	-	-
Investment income	-	-	-
Food services	-	-	23,669
District activities	-	-	20,988
Other revenue	-	-	-
State sources			
Unrestricted Grants	-	-	41,963
Restricted Grants	-	-	4,728
Federal sources			
Unrestricted Grants	-	-	-
Unrestricted -state passthrough	-	-	34,654
Restricted Grants	-	-	133,903
Restricted -state passthrough	-	-	259,016
Department of Interior	-	-	-
Other items	-	-	-
<i>Total revenues</i>	-	-	518,921
<i>Expenditures:</i>			
Current:			
Instruction	-	-	313,574
Support Services			
Students	-	-	20,272
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	10,154
Operation & maintenance of plant	-	-	500
Student transportation	-	-	-
Other Support Services	-	-	-
Operation of Non-instructional Services			
Food services operations	-	-	190,572
Capital outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	-	-	535,072
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(16,151)
<i>Other financing sources (uses)</i>			
Transfers	(33)	-	16,151
<i>Total other financing sources (uses)</i>	(33)	-	16,151
<i>Net changes in fund balances</i>	(33)	-	-
<i>Fund balances - beginning of year</i>	33	32,322	68,301
<i>Fund balances - end of year</i>	\$ -	\$ 32,322	\$ 68,301

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
FOOD SERVICE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-3

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ 25,190	\$ 23,565	\$ (1,625)
State sources	-	-	-	-
Federal sources	-	103,700	107,387	3,687
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>128,890</u>	<u>130,952</u>	<u>2,062</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	151,396	151,396	127,768	23,628
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>151,396</u>	<u>151,396</u>	<u>127,768</u>	<u>23,628</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(151,396)</u>	<u>(22,506)</u>	<u>3,184</u>	<u>25,690</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	151,396	22,506	-	(22,506)
<i>Total other financing sources (uses)</i>	<u>151,396</u>	<u>22,506</u>	<u>-</u>	<u>(22,506)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>3,184</u>	<u>3,184</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>25,996</u>	<u>25,996</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,180</u>	<u>\$ 29,180</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 3,184	
Adjustment to revenue for accruals and other deferrals			2,677	
Adjustment to expenditures for payables, prepaids and other accruals			(2,254)	
Net change in fund balance (GAAP basis)			<u>\$ 3,607</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
ATHLETICS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-4

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ 17,000	\$ 20,988	\$ 3,988
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>17,000</u>	<u>20,988</u>	<u>3,988</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	22,873	22,873	22,873	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>22,873</u>	<u>22,873</u>	<u>22,873</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(22,873)</u>	<u>(5,873)</u>	<u>(1,885)</u>	<u>3,988</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	22,873	5,873	-	(5,873)
<i>Total other financing sources (uses)</i>	<u>22,873</u>	<u>5,873</u>	<u>-</u>	<u>(5,873)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,885)</u>	<u>(1,885)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,577</u>	<u>5,577</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,692</u>	<u>\$ 3,692</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (1,885)	
Adjustment to revenue for accruals and other deferrals			2,254	
Adjustment to expenditures for payables, prepaids and other accruals			(2,496)	
Net change in fund balance (GAAP basis)			<u>\$ (2,127)</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
TITLE I SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-5

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	12,526	47,791	35,265
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>12,526</u>	<u>47,791</u>	<u>35,265</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	35,014	61,763	61,763	-
Support Services				
Students	3,652	3,652	3,652	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	609	609	609	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>39,275</u>	<u>66,024</u>	<u>66,024</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(39,275)</u>	<u>(53,498)</u>	<u>(18,233)</u>	<u>35,265</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	39,275	53,498	-	(53,498)
<i>Total other financing sources (uses)</i>	<u>39,275</u>	<u>53,498</u>	<u>-</u>	<u>(53,498)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(18,233)</u>	<u>(18,233)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(23,618)</u>	<u>(23,618)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (41,851)</u>	<u>\$ (41,851)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (18,233)	
Adjustment to revenue for accruals and other deferrals			18,233	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
IDEA B ENTITLEMENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-6

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	60,466	73,677	13,211
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>60,466</u>	<u>73,677</u>	<u>13,211</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	58,767	58,765	2
Support Services				
Students	-	1,200	1,200	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	500	500	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>60,467</u>	<u>60,465</u>	<u>2</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(1)</u>	<u>13,212</u>	<u>13,209</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	14,852	14,852
Proceeds from bonds	-	-	-	-
Designated Cash	-	1	-	(1)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1</u>	<u>14,852</u>	<u>14,851</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>28,064</u>	<u>28,060</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(40,632)</u>	<u>(40,632)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,568)</u>	<u>\$ (12,572)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 28,064	
Adjustment to revenue for accruals and other deferrals			(28,064)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
IDEA B PRESCHOOL SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-7

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	5,429	9,487	4,058
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,429</u>	<u>9,487</u>	<u>4,058</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	5,429	5,429	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,429</u>	<u>5,429</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,058</u>	<u>4,058</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>4,058</u>	<u>4,058</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,058)</u>	<u>(4,058)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 4,058	
Adjustment to revenue for accruals and other deferrals			(4,058)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
FRESH FRUITS & VEGETABLES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	5,950	4,707	(1,243)
Interest	-	-	-	-
<i>Total revenues</i>	-	5,950	4,707	(1,243)
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	5,950	5,950	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	5,950	5,950	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(1,243)	(1,243)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(1,243)	(1,243)
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (1,243)	\$ (1,243)
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (1,243)	
Adjustment to revenue for accruals and other deferrals			1,243	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			\$ -	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
IDEA B REALLOCATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-9

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	444	977	533
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>444</u>	<u>977</u>	<u>533</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	444	444	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>444</u>	<u>444</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>533</u>	<u>533</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>533</u>	<u>533</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(533)</u>	<u>(533)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 533	
Adjustment to revenue for accruals and other deferrals			(533)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
ENHANCING EDUCATION THRU TECHNOLOGY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-10

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	(727)	(727)
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	(727)	(727)
<i>Net change in fund balances</i>	-	-	(727)	(727)
<i>Cash balances - beginning of year</i>	-	-	727	727
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (727)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			727	
Net change in fund balance (GAAP basis)			\$ -	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
TEACHER/PRINCIPAL TRAINING SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-11

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	12,026	12,026	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>12,026</u>	<u>12,026</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	12,026	12,026	12,026	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,026</u>	<u>12,026</u>	<u>12,026</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(12,026)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	12,026	-	-	-
<i>Total other financing sources (uses)</i>	<u>12,026</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>217</u>	<u>217</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 217</u>	<u>\$ 217</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
SAFE AND DRUG FREE SCHOOLS SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-12

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	771	771	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>771</u>	<u>771</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	771	771	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>771</u>	<u>771</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	797	797
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>797</u>	<u>797</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>797</u>	<u>797</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,568)</u>	<u>(1,568)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (771)</u>	<u>\$ (771)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 797	
Adjustment to revenue for accruals and other deferrals			(797)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
TITLE I FEDERAL STIMULUS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-13

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	3,536	3,536
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>3,536</u>	<u>3,536</u>
<i>Expenditures:</i>				
Current:				
Instruction	3,337	2,587	2,586	1
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,337</u>	<u>2,587</u>	<u>2,586</u>	<u>1</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,337)</u>	<u>(2,587)</u>	<u>950</u>	<u>3,537</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	3,337	2,587	-	(2,587)
<i>Total other financing sources (uses)</i>	<u>3,337</u>	<u>2,587</u>	<u>-</u>	<u>(2,587)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>950</u>	<u>950</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,758)</u>	<u>(2,758)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,808)</u>	<u>\$ (1,808)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 950	
Adjustment to revenue for accruals and other deferrals			(5,516)	
Adjustment to expenditures for payables, prepaids and other accruals			4,566	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO

LOGAN MUNICIPAL SCHOOLS

IDEA B ENTITLEMENT FEDERAL STIMULUS SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	8,748	8,748
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>8,748</u>	<u>8,748</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>8,748</u>	<u>8,748</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>8,748</u>	<u>8,748</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(8,748)</u>	<u>(8,748)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 8,748	
Adjustment to revenue for accruals and other deferrals			(8,748)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
STATE STIMULUS BREAKFAST STIMULUS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-15

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	6,600	6,600	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,600</u>	<u>6,600</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	6,600	6,600	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,600</u>	<u>6,600</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
RURAL EDUCATION ACHIEVEMENT SPECIAL REVENUE PROGRAM
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
#REF!

Statement A-16

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	15,646	36,950	21,304
Interest	-	-	-	-
<i>Total revenues</i>	-	15,646	36,950	21,304
<i>Expenditures:</i>				
Current:				
Instruction	-	36,950	36,950	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	36,950	36,950	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(21,304)	-	21,304
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	21,304	-	(21,304)
<i>Total other financing sources (uses)</i>	-	21,304	-	(21,304)
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	22,754	22,754
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ 22,754	\$ 22,754
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			\$ -	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
SEG STIMULUS SPECIAL REVENUE PROGRAM
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
#REF!

Statement A-17

	Budgeted Amounts			
	Original	Final	Actual	Variance
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	22,731	40,270	17,539
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>22,731</u>	<u>40,270</u>	<u>17,539</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	1,435	1,435	-
Support Services				
Students	15,419	15,419	15,419	-
Instruction	24,566	-	-	-
General Administration	24,566	-	-	-
School Administration	24,566	-	-	-
Central Services	24,566	9,547	9,546	1
Operation & maintenance of plant	24,566	-	-	-
Student transportation	24,566	-	-	-
Other Support Services	24,566	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>187,381</u>	<u>26,401</u>	<u>26,400</u>	<u>1</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(187,381)</u>	<u>(3,670)</u>	<u>13,870</u>	<u>17,540</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	187,381	3,670	-	(3,670)
<i>Total other financing sources (uses)</i>	<u>187,381</u>	<u>3,670</u>	<u>-</u>	<u>(3,670)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>13,870</u>	<u>13,870</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,870)</u>	<u>(13,870)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 13,870	
Adjustment to revenue for accruals and other deferrals			(13,870)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
EDUCATION JOB SPECIAL REVENUE PROGRAM
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-18

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	70,054	70,053	(1)
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>70,054</u>	<u>70,053</u>	<u>(1)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	70,054	70,053	1
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>70,054</u>	<u>70,053</u>	<u>1</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
DUAL CREDIT SPECIAL REVENUE PROGRAM
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-19

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	5,164	4,333	(831)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,164</u>	<u>4,333</u>	<u>(831)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	5,164	4,333	831
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,164</u>	<u>4,333</u>	<u>831</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
TECHNOLOGY FOR EDUCATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-20

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	1,683	-	(1,683)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,683</u>	<u>-</u>	<u>(1,683)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	1,683	1,683	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,683</u>	<u>1,683</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,683)</u>	<u>(1,683)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,683)</u>	<u>(1,683)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,059</u>	<u>2,059</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376</u>	<u>\$ 376</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (1,683)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			(376)	
Net change in fund balance (GAAP basis)			<u>\$ (2,059)</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
TANF FULL DAY KINDERGARTEN SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-21

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	(500)	(500)
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(500)</u>	<u>(500)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(500)</u>	<u>(500)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
INCENTIVES FOR SCHOOL IMPROVEMENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-22

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	1	1
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			156	
Net change in fund balance (GAAP basis)			<u>\$ 156</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
LEGISLATIVE APPROPRIATIONS LAWS OF 2005 SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-23

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			771	
Net change in fund balance (GAAP basis)			<u>\$ 771</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
PRESCHOOL INITIATIVE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-24

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	34,813	37,828	3,015
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>34,813</u>	<u>37,828</u>	<u>3,015</u>
<i>Expenditures:</i>				
Current:				
Instruction	34,812	34,813	34,811	2
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>34,812</u>	<u>34,813</u>	<u>34,811</u>	<u>2</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(34,812)</u>	<u>-</u>	<u>3,017</u>	<u>3,017</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	34,812	-	-	-
<i>Total other financing sources (uses)</i>	<u>34,812</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>3,017</u>	<u>3,017</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(11,025)</u>	<u>(11,025)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,008)</u>	<u>\$ (8,008)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 3,017	
Adjustment to revenue for accruals and other deferrals			(3,017)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS

Statement A-25

BEGINNING TEACHER MENTORING SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>157</u>	<u>157</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 157</u>	<u>\$ 157</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			(157)	
Net change in fund balance (GAAP basis)			<u>\$ (157)</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
CYFD PRESCHOOL SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-26

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues</i>				
<i>over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	(148)	(148)
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(148)</u>	<u>(148)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(148)</u>	<u>(148)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>148</u>	<u>148</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (148)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ (148)</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
YCCC SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-27

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	80,406	-	(80,406)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>80,406</u>	<u>-</u>	<u>(80,406)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	80,406	41,307	39,099
Capital outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>80,406</u>	<u>41,307</u>	<u>39,099</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(41,307)</u>	<u>(41,307)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(41,307)</u>	<u>(41,307)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (41,307)</u>	<u>\$ (41,307)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (41,307)	
Adjustment to revenue for accruals and other deferrals			41,307	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
CATCH SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-28

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	500	500	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>500</u>	<u>500</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	500	500	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>500</u>	<u>500</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
ENMR SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues</i>				
<i>over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	(11)	(11)
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(11)</u>	<u>(11)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(11)</u>	<u>(11)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>11</u>	<u>11</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (11)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ (11)</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
McCUNE FOUNDATION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-30

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	(33)	(33)
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(33)</u>	<u>(33)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(33)</u>	<u>(33)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>33</u>	<u>33</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (33)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ (33)</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
BOND BUILDING CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-31

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ 5,866	\$ -	\$ (5,866)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	4,141	4,141
<i>Total revenues</i>	<u>-</u>	<u>5,866</u>	<u>4,141</u>	<u>(1,725)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	573,032	1,573,032	593,233	979,799
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>573,032</u>	<u>1,573,032</u>	<u>593,233</u>	<u>979,799</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(573,032)</u>	<u>(1,567,166)</u>	<u>(589,092)</u>	<u>978,074</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	1,020,000	1,020,000
Designated Cash	573,032	1,567,166	-	(1,567,166)
<i>Total other financing sources (uses)</i>	<u>573,032</u>	<u>1,567,166</u>	<u>1,020,000</u>	<u>(547,166)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>430,908</u>	<u>430,908</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>498,533</u>	<u>498,533</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 929,441</u>	<u>\$ 929,441</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 430,908	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			(14,289)	
Net change in fund balance (GAAP basis)			<u>\$ 416,619</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
SPECIAL CAPITAL OUTLAY STATE CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-32

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>32,322</u>	<u>32,322</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,322</u>	<u>\$ 32,322</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

Statement A-33

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ 98,333	\$ 102,137	\$ 3,804
State sources	-	(7,952)	15,397	23,349
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>90,381</u>	<u>117,534</u>	<u>27,153</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	984	-	-	-
Instruction	984	-	-	-
General Administration	984	984	946	38
School Administration	984	-	-	-
Central Services	984	-	-	-
Operation & maintenance of plant	984	-	-	-
Student transportation	984	-	-	-
Other Support Services	984	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	217,737	225,689	225,689	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>225,609</u>	<u>226,673</u>	<u>226,635</u>	<u>38</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(225,609)</u>	<u>(136,292)</u>	<u>(109,101)</u>	<u>27,191</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	225,609	136,292	-	(136,292)
<i>Total other financing sources (uses)</i>	<u>225,609</u>	<u>136,292</u>	<u>-</u>	<u>(136,292)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(109,101)</u>	<u>(109,101)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>189,523</u>	<u>189,523</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,422</u>	<u>\$ 80,422</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (109,101)	
Adjustment to revenue for accruals and other deferrals			2,844	
Adjustment to expenditures for payables, prepaids and other accruals			752	
Net change in fund balance (GAAP basis)			<u>\$ (105,505)</u>	

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
DEBT SERVICE FUND

Statement A-34

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ 239,137	\$ 207,617	\$ (31,520)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	1,073	1,073
<i>Total revenues</i>	-	239,137	208,690	(30,447)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	2,100	2,100	1,930	170
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	155,000	155,000	155,000	-
Interest	82,847	83,208	82,846	362
<i>Total expenditures</i>	239,947	240,308	239,776	532
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(239,947)	(1,171)	(31,086)	(29,915)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	239,947	1,171	-	(1,171)
<i>Total other financing sources (uses)</i>	239,947	1,171	-	(1,171)
<i>Net change in fund balances</i>	-	-	(31,086)	(31,086)
<i>Cash balances - beginning of year</i>	-	-	241,141	241,141
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ 210,055	\$ 210,055
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (31,086)	
Adjustment to revenue for accruals and other deferrals			(1,576)	
Adjustment to expenditures for payables, prepaids and other accruals			8,359	
Net change in fund balance (GAAP basis)			\$ (24,303)	

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

FIDUCIARY FUNDS

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
Agency Funds

Agency Funds – 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.

Logan Municipal Schools has the following funds classified as Agency Funds:

Activity – To account for assets held by the District until distributed to various organizations at the schools.

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
AGENCY FUNDS

Statement B

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Year Ended June 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
ASSETS				
7th Grade, Class of 2017	\$ -	\$ 200	\$ -	\$ 200
8th Grade, Class of 2016	195	231	-	425
9th Grade, Class of 2015	305	185	-	490
10th Grade, Class of 2014	250	3,371	2,563	1,059
Kindergarten Class	17	21	-	37
1st Grade Class	100	111	211	-
2nd Grade Class	34	21	-	55
3rd Grade Class	116	157	252	22
4th Grade Class	217	99	178	138
5th Grade Class	58	116	52	122
11th Grade, Class of 2013	2,046	2,988	2,342	2,692
12th Grade, Class of 2012	2,503	12,642	12,745	2,400
12th Grade, Class of 2010	383	-	383	-
12th Grade, Class of 2011	5,174	2,022	7,195	-
Athletics	858	2,866	3,657	67
Baseball	1,067	1,075	506	1,636
Boys Basketball	271	3,970	4,150	91
Cheerleaders	712	7,297	6,854	1,155
Cafeteria Workshop	2,925	8,992	9,141	2,776
Drug Free	238	-	238	-
FCCLA	560	-	560	-
FFA	1,586	32,773	34,318	41
Honor Society	2,177	30	519	1,688
Horticulture	2,067	5,520	7,582	5
Irlen	61	-	61	-
Library	1,345	87	872	559
Preschool/Lil' Longhorns	920	1,759	2,062	617
Staff Fund	8,981	5,636	12,134	2,483
Music	407	-	407	-
Student Council	2,953	277	901	2,329
Super Computers	1,484	-	1,484	-
Yearbook	4,368	7,892	8,681	3,580
Fifty Plus Club	185	-	185	-
SHREC	1,658	470	-	2,128
Burns Family Foundation	3,439	-	3,439	-
Scholarship Fund	47	-	47	-
June May Scholarship Fund	2,750	-	2,750	-
Honor Rewards	907	334	468	773
Ute Lake Online Learning Center	-	200	104	96
District 3A VB/BB	-	7,327	5,360	1,967
CATCH	-	2,378	2,378	-
Total Assets	\$ 53,362	\$ 111,046	\$ 134,778	\$ 29,630
LIABILITIES				
Deposits held for others	53,362	111,046	134,778	29,630
Total Liabilities	\$ 53,362	\$ 111,046	\$ 134,778	\$ 29,630

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SUPPORTING SCHEDULES

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY
June 30, 2011

Schedule I

Name of Depository	Description of Pledged Collateral	Fair Par/Market Value June 30, 2011	Name and Location of Safekeeper
First National Bank of NM	Tularosa NM Mun Sch Dist 4 899172GN4, 4.125% 7/1/2014	15,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank of NM	Dulce NM Indpt Sch Dist No 21 264430GQ6 4.0% 6/1/2014	50,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank of NM	FHLB Fixed Rate Note 313370W 3 3.125# 09/21/2020	400,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank of NM	Eastern NM University Revs 276785UA8 5.0% 4/1/2014	25,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank of NM	Eastern NM University Revs 276785UA8 5.0% 4/1/2014	25,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank of NM	Logan NM Sch District No. 32 541066AW6 4.25% 04/15/2013	125,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank of NM	Logan NM Sch District No. 32 541066AX4 4.4% 04/15/2014	125,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank of NM	Logan NM Sch District No. 32 541066AY2 4.65% 04/15/2015	125,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank of NM	Alamogordo NM Sch District 001 011464FK5 3.0% 08/01/2014	25,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank of NM	Portales N Mex Mun Sch Dist 1 736151CZ2 3.0% 2/1/2016	125,000	Federal Home Loan Bank of Dallas Irving, TX
	Total Collateral Pledged	<u>\$ 1,040,000</u>	

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS
June 30, 2011

Schedule II

Deposit or Investment Account Type	First National Bank of NM	NM State Treasurer	Total
Operational Checking	\$ 1,578,826	\$ 15	\$ 1,578,841
Activities Checking	<u>120,013</u>	<u>-</u>	<u>120,013</u>
Total On Deposit	1,698,839	15	1,698,854
Reconciling Items	(90,050)	-	(90,050)
Reconciled Balance June 30, 2011	<u>\$ 1,608,789</u>	<u>\$ 15</u>	<u>\$ 1,608,804</u>

Reconciliation to financial statements:

Cash and cash equivalents:

Total cash and cash equivalents per Statement of Net Assets	\$ 1,579,174
Total cash and cash equivalents per Fiduciary Statement of Assets and Liabilities	<u>29,630</u>
	<u>\$ 1,608,804</u>

STATE OF NEW MEXICO
 Logan Municipal Schools
 Cash Reconciliation
 June 30, 2011

	Operational Account	Transportation Account	Instructional Materials Account	Food Services Account	Athletics Account
Cash per June 30, 2010	\$ 338,065	\$ 1	\$ 52	\$ 25,996	\$ 5,577
Add:					
2010-11 revenues	2,486,091	311,359	9,492	130,952	20,988
Transfer of NMPSIA	90,383	-	-	-	-
Total cash available	2,914,539	311,360	9,544	156,948	26,565
Less:					
2010-11 expenditures	(2,447,145)	(311,359)	(9,540)	(127,768)	(22,873)
Less NMPSIA Expense	(89,286)	-	-	-	-
Permanent cash transfer	-	-	-	-	-
Cash June 30, 2011	\$ 378,108	\$ 1	\$ 4	\$ 29,180	\$ 3,692
Bank balance end of year	\$ 349,230	\$ 2,964	\$ 4	\$ 31,812	\$ 3,692
State Treasurer balance	-	-	-	-	-
Deposits in transit	-	-	-	-	-
Outstanding checks	(61,505)	(2,963)	-	(2,632)	-
Adjustment for duplicate deposit	-	-	-	-	-
Adjustment for NMPSIA	90,383	-	-	-	-
Cash June 30, 2011	\$ 378,108	\$ 1	\$ 4	\$ 29,180	\$ 3,692

Activities Account	Federal Flowthrough	Federal Direct	Local Grants	State Flowthrough	State Direct
\$ 53,362	\$ (81,327)	\$ 8,884	\$ -	\$ (42,086)	\$ 148
111,046	166,988	147,273	-	75,938	500
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
164,408	85,661	156,157	-	33,852	648
(134,778)	(160,297)	(133,403)	-	(40,827)	(41,807)
-	-	-	-	-	-
<u>-</u>	<u>16,613</u>	<u>-</u>	<u>-</u>	<u>(500)</u>	<u>(148)</u>
<u>\$ 29,630</u>	<u>\$ (58,023)</u>	<u>\$ 22,754</u>	<u>\$ -</u>	<u>\$ (7,475)</u>	<u>\$ (41,307)</u>
\$ 120,013	\$ (54,586)	\$ 27,069	\$ -	\$ (6,909)	\$ (40,679)
-	-	-	-	-	-
-	(3,437)	-	-	(565)	(628)
-	-	(4,315)	-	-	-
<u>(90,383)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 29,630</u>	<u>\$ (58,023)</u>	<u>\$ 22,754</u>	<u>\$ -</u>	<u>\$ (7,475)</u>	<u>\$ (41,307)</u>

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STATE OF NEW MEXICO
 Logan Municipal Schools
 Cash Reconciliation
 6/30/2011

Schedule III
 (Page 2 of 2)

		Local/State Fund		Bond Building		Special Capital Outlay-State		Capital Impr SB9		Debt Service		Total
Cash per June 30, 2010	\$	43	\$	498,533	\$	32,322	\$	189,523	\$	241,141	\$	1,270,234
Add:												
2010-11 revenues		-		1,024,141		-		123,496		222,576		4,830,840
Transfer of NMPSIA		-		-		-		-		-		90,383
Total cash available		43		1,522,674		32,322		313,019		463,717		6,191,457
Less:												
2010-11 expenditures		-		(593,233)		-		(232,597)		(253,662)		(4,509,289)
Less NMPSIA Expense		-		-		-		-		-		(89,286)
Permanent cash transfer		(43)		-		-		-		-		15,922
Cash June 30, 2011	\$	-	\$	929,441	\$	32,322	\$	80,422	\$	210,055	\$	1,608,804
Bank balance end of year	\$	-	\$	931,678	\$	32,322	\$	92,175	\$	210,055	\$	1,698,839
State Treasurer balance		-		15		-		-		-		15
Deposits in transit		-		-		-		-		-		-
Outstanding checks		-		(2,252)		-		(11,753)		-		(85,735)
Held checks		-		-		-		-		-		(4,315)
Adjustments		-		-		-		-		-		-
Cash June 30, 2011	\$	-	\$	929,441	\$	32,322	\$	80,422	\$	210,055	\$	1,608,804

Cash per Exhibit B-1	1,579,174
Cash per Exhibit D-1	29,630
Total Cash	1,608,804

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COMPLIANCE SECTION

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**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 Office of Management and Budget and
The Governing Board
Logan Municipal Schools
Logan, 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 comparison statement of the general fund and major special revenue funds, and the combining and individual fund and related budgetary comparisons presented as supplemental information of Logan Municipal Schools, as of and for the year ended June 30, 2011 and have issued our report thereon dated August 19, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Logan Municipal Schools' 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 Logan Municipal Schools' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Logan Municipal Schools' 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 entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of the 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 described above. However we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting as FS 2011-03.

A significant deficiency is a deficiency or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Logan Municipal Schools' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items as FS 2010-01 and FS 2010-02.

Logan Municipal School's responses to the findings indentified in our audit are described in the accompanying schedule of findings and responses. We did not audit their response and, accordingly, we express no opinion on it.

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

Precision Accounting LLC

Albuquerque, New Mexico

August 19, 2011

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STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
OTHER DISCLOSURES
Year Ended June 30, 2011

A. FINDINGS AND RESPONSES-FINANCIAL STATEMENT AUDIT

FS 2010-01 – Procurement procedures related to bids

CONDITION: During our Cash Disbursement test work we noted that goods were ordered and received in the amount of \$24,975 for sod on the outfield and the District did not solicit Competitive Sealed Bids as required by law.

CRITERIA: The NMAC Procurement Code 1.4.1.15 regulates that all single purchases for goods over \$20,000 shall be achieved by competitive sealed bids except procurement achieved under certain other qualified methods, sole source or emergency purchase.

CAUSE OF CONDITION: The District failed to follow the procurement procedures set out by the NM State Procurement Code for General Government Administration.

EFFECT OF CONDITION: The District violated the NMAC Procurement Code in their procedures.

RECOMMENDATION: The District must comply with the New Mexico State Procurement Code for purchases and document a sole source vendor if applicable.

CLIENT RESPONSE: The District personnel have been made aware that any single purchase over \$20,000 shall require sealed bids. The Business Manager will work harder to comply with the Procurement Code to assure that this issue is not repeated.

FS 2010-02 Lack of supporting documentation for cash disbursements

CONDITION: During our test work of expenditures, we noted 5 instances out of 327 where the requisition request/preliminary purchase order was obtained after the invoice was received.

CRITERIA: The State Procurement Act NMSA, 13-1 to 13-199 requires that the District have authorization prior to a purchase being made.

CAUSE OF CONDITION: The District failed to follow proper procurement procedures for unknown reasons.

EFFECT OF CONDITION: The District has violated the State procurement Act NMSA 13-1 to 13-199 199.

RECOMMENDATION: That the District review the State Procurement Act, NMSA 13-1 to 13-199 and implement internal controls to prevent a future violation from occurring.

CLIENT RESPONSE: The individuals who created these requisitions have been made aware of the discrepancies and have a clear understanding of the need for accuracy. Additionally, the Business Manager will work harder to comply with the internal controls to assure that these issues are not repeated.

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
OTHER DISCLOSURES
Year Ended June 30, 2011

FS 2011-01 Disposition of Capital assets

CONDITION: During the current year, the District removed from the depreciation schedule numerous assets that were no longer in service including numerous computers and copy machines. The District was unable to determine exactly when these assets were no longer being used and concluded that this adjustment needed to be done to make the current depreciation schedule accurate. Since the actual dispositions occurred over a number of years, we were unable to ascertain if the proper notifications had been provided to the State Auditor's Office. The "sanitation of the hard drive" is required by NM State Audit Rule Section 2.2.2.10-V-2 and notification of disposal of assets is required by Section 13-6-1 and 13-6-2 NMSA 1978.

REASON IMPROVEMENT NEEDED: The removing of the assets no longer in service needed to be done to render the depreciation schedule accurate as of June 30, 2011.

CAUSE OF CONDITION: The District has no system of notifying the finance department when an asset is no longer being used and is being retired from service. As a consequence, the finance department does not notify the State Auditor's Office of the disposition nor, in the case of computers, certify that the hard drives have been erased.

EFFECT OF CONDITION: The District has violated the state statute governing the disposition of obsolete, worn-out or unusable tangible personal property cited above.

RECOMMENDATION: We recommend that an annual inventory be taken as required by Section 12-6-10(A) NMSA 1978 and all current dispositions are handled properly as noted above.

COSTS AND BENEFITS OF RECOMMENDED ACTION: No additional costs and the District will comply with the various statutes.

CLIENT RESPONSE: As of 8/3/11 the inventory is current with ID tags having been placed on significant items. Anytime a computer is disposed of our technical department will write a letter certifying that the sanitation of the hard drive was done. This will accompany the letter to the State Auditor notifying them of the disposal of assets.

B. PRIOR YEAR AUDIT FINDINGS

FS 10-01 Procurement procedures related to bids **Repeated**
FS 10-02 Lack of Supporting Documentation **Repeated**
FS 10-03 Travel and Per Diem **Resolved**

STATE OF NEW MEXICO
LOGAN MUNICIPAL SCHOOLS
OTHER DISCLOSURES
Year Ended June 30, 2011

A. AUDITOR PREPARED FINANCIAL STATEMENTS

Management is responsible for the content of the report and financial statements. It would be preferred and desirable for the District to prepare its own GAAP-basis financial statements; although the District is capable, with guidance, of preparing, reviewing and approving the financial statements, it is felt that the District's personnel do not have the time to prepare them. Therefore, the outside auditor prepared the GAAP-basis financial statements and footnotes for inclusion in the annual audit report.

B. EXIT CONFERENCE

The contents of this report were discussed on August 18, 2011. The following individuals were in attendance.

Logan Municipal Schools

Lynn Birch, Board Member
Richard Hazen, Superintendent
Pat Copeland, Business Manager
Rodney Paris, Audit Committee Member
Tana Garnett, Food Service Director
Patty Walker, Administrative Secretary/HR Director

Precision Accounting LLC

Melissa R. Santistevan, CPA
C. Jack Emmons, CPA, CFE