

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**ANNUAL FINANCIAL REPORT**  
**JUNE 30, 2011**



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## **INTRODUCTORY SECTION**

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YEAR ENDED JUNE 30, 2011  
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**OFFICIAL ROSTER  
JUNE 30, 2011**

<b><u>Name</u></b>		<b><u>Title</u></b>
	<b><u>Board of Education</u></b>	
Christopher D. Martinez		President
Charles Tabet		Vice President
Kelly Chavez		Secretary
Shaun Gibson		Member
Robert Archuleta		Member
	<b><u>School Officials</u></b>	
Bernard R. Saiz		Superintendent
Claire Cieremans		Chief Financial Officer
Sandra Traczyk		Director of Finance

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**FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Los Lunas Schools  
Los Lunas, New Mexico

We have audited the accompanying basic financial statements consisting of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons of the general fund and major special revenue fund of Los Lunas Schools, New Mexico, 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 and fiduciary funds and the budgetary comparisons for the major capital project fund, debt service fund and all nonmajor 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 Los Lunas Schools, New Mexico's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and with 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 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 the 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 Los Lunas Schools, New Mexico, as of June 30, 2011, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of Los Lunas Schools, New Mexico, as of June 30, 2011 and the respective changes in financial position thereof and the respective budgetary comparisons of major capital project fund, the debt service fund and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2011 on our consideration of Los Lunas Schools, New Mexico's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

P.O. Box 37379 • Albuquerque, NM 87176-7379  
8500 Menaul Blvd. NE, Ste. B295 • Albuquerque, NM 87112  
Phone (505) 856-2741 - Fax (505) 856-7510

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The *Management's Discussion and Analysis* on page v 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 basic financial statements and the combining and individual fund financial statements and budgetary statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governmental and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as "Supporting Schedules" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Grigo Professional Services, LLC*

Albuquerque, New Mexico  
October 28, 2011

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**LOS LUNAS SCHOOLS**  
**Management Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2011**

The Management Discussion and Analysis is a required part of the School District's financial reporting and is an objective and easily readable discussion of the School District's financial activities. The reader will see two statements, a Statement of Net Assets and a Statement of Activities. These statements provide the overall view of the financial activities of the School District. This discussion and analysis will provide a review of the School 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 School 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.

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; 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; Report on Compliance with Requirements Applicable to each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133; and the Schedule of Findings and Questioned Costs.

**LOS LUNAS SCHOOLS ACCOUNTING AND FINANCE**

We believe this written analysis and the accompanying financial report will indicate to the reader that the Los Lunas Schools is in good financial health. This year for the first time in the last three years, we are experiencing an incline in fund balances, and cash on hand, which means we have tried to adjust our revenues and expenditures accordingly and are taking every precaution to stay ahead of the down turn in the economy. With the recent downgrade in our bond ratings, we are making a conscious effort to increase fund balance and cash on hand in the operational fund. We are also still dealing with factors of continual budget cuts coming from the State of New Mexico, Public Education Department and loss of enrollment. Regardless of the difficult economic hard times, the School District maintains a financial and accounting staff with strong levels of technical experience and education.

In order to define and support internal controls, the School Business Office utilizes a comptrollership model organizational structure. A written Business Office Policies and Procedures Manual is in place to guide School District staff through the daily fiscal and business routines.

As an integral part of the School District accountability process, the Los Lunas Schools Board of Education monitors School District expenditures and budgets through a formal monthly

reporting process to a Finance Committee and the full Board of Education. This reportage is provided at public meetings and becomes a part of the Los Lunas Schools Board of Education's permanent public record. These reports are public documents and through this public process, the financial reporting information is provided to the community and open to public inspection.

### **SIGNIFICANT FINANCIAL HIGHLIGHTS FOR THE YEAR ENDING JUNE 30, 2011**

- The District received an award from the Public School Capital Outlay Council (PSCOC) in 2009/2010, for funding to renovate Bosque Farms Elementary. That project was completed in January 2011. The students moved back into Bosque Farms campus at the beginning of the New Year. We also received approval from PSCOC for a major renovation to Los Lunas High School. We received approval for a \$65 million dollar renovation at that site, with the help of the State PSCOC our local match is \$13 million dollars. We will work the project into two major construction phases so we can build up our cash in the bond fund for our portion of our match for this project and keep the students in a safe and usable facility as construction is going on. Construction is set to begin in late spring 2012.
- The voters approved a \$30,000,000 bond election in February 2008, and the October 2010 sale was the third series of bonds sold for \$4,950,000 in new money. The money was used for funding the next wave of bond projects, which included the completion of a renovation to Bosque Farms Elementary, and a new Athletic Complex at Valencia High School. It also included a set aside match for our upcoming renovation project at Los Lunas High School. The District will be going out to vote for a new bond election and renewal on the HB33 (3 mill) election in February 2012.
- Capital Outlay expenses decreased from \$11,974,345 in the year ending June 30, 2010 to \$8,777,101 for the year ending June 30, 2011. This decrease represents a decrease in the rate of growth in our assessed valuation. The decrease or slowed growth has affected the amount of bonds we are allowed to sell for the completion for several capital projects in the Bond Building Fund. Despite lowered bond sales, the district is still going to apply for money from the Public School Capital Outlay funds to match our local dollars to maximize the construction dollars available to the school district. Our current match from the Public School Facility Authority (PSFA) is 80%. The means we only pay 20% of the dollars allocated to capital projects approved by the PSFA. Projects we have participated in include a Classroom Addition at Katherine Gallegos Elementary, Sundance Elementary, renovation for Bosque Farms Elementary, and renovation for Los Lunas High School.
- As shown in the three-year comparison of the Statement of Net Assets, total net assets increased from \$89,174,041 in the year ending June 30, 2009 to \$89,871,930 in the year ending June 30, 2010 to \$93,607,117 in the year ending June 30, 2011. The overall increase in net assets is due to an increase in investment in total Capital Assets.

- The overall adjusted fund balance shown in the Statement of Revenues and Expenditures and Changes in Fund Balances (GAAP), increased from \$12,931,978 for the year ending June 30, 2009 to \$12,065,919 for the period ending June 30, 2010. During the period ending June 30, 2011, the overall Fund Balance increased by \$4,339,120 to \$16,405,039. This increase is due in part from reducing expenditures commensurate with reduced revenues in Operational and other funds. The Fund Balance of the General (Operations) Fund increased from (\$1,502,041) to \$499,633 during the same period.
- The State Equalization Guarantee Formula decreased overall by (\$101.87) for the fiscal year ending June 30, 2011. Revenues from the State Equalization Guarantee Formula (SEG) for the fiscal year ending June 30, 2010 were \$53,604,042; revenues for the fiscal year ending June 30, 2011 were \$54,106,283. The reason for the increase is due to other factors that go into that formula. For example, Training and Experience index were up in 2010/2011.
- Total expenditures, *inclusive of all capital expenditures from general obligation bond proceeds*, decreased from \$93,872,062 for the year ending June 30, 2010 to \$89,898,017 for the year ending June 30, 2011, representing a 4.35% decrease.
- The School District's overall cash assets increased from \$12,109,638 on June 30, 2010 to \$16,466,506 on June 30, 2011. The largest cash balances were reflected in Debt Service (41000), Federal Direct (25000), Bond Building (31100), and HB-33 (31600).
- The Operations Emergency Reserve was slightly increased to \$572,000 during the 2010/2011 fiscal year. This reserve account was maintained at \$525,491 for the 2011/2012 budget period. The District will try to continue to restore a healthy level of emergency reserves and increase our cash balance in the operational account.
- This was the third year in a row that the Operational budget had to supplement the transportation budget to avoid a negative balance. The District Transportation budget continues to decline due to loss of enrollment and State Budget cuts and it is not able to sustain itself without the support of operational funding. The District has taken several measures to reduce the expenditures in Transportation including operating a New Eastside Transportation Dept., reducing bus routes, and reducing bus driver contracts.
- In accordance with the OMB Circular A-133, the Los Lunas School District has been determined to be a low-risk auditee.

## **GOVERNMENT WIDE FINANCIAL STATEMENTS**

### **STATEMENT OF NET ASSETS**

This statement shows that as of June 30, 2011, the School District has total net assets of \$93,607,117 as compared to net assets of \$89,871,930 as of June 30, 2010, and \$89,174,041 as

of June 30, 2009. The School District had \$22,630,019 in cash and current assets on hand as of June 30, 2011 compared to \$18,175,892 as of June 30, 2010, and accounts payable/current liabilities and current long-term debt of \$10,017,362 compared to \$10,149,744 as of June 30, 2010. Cash Assets increased by \$4,356,868 while Other Current Assets increased by \$97,259. These two changes are directly related to the Finance Department working very closely on the reimbursements due from the Public Education Department and saving for a major renovation at Los Lunas High School that will start in April 2012. Long-term liabilities have increased from \$37,705,631 as of June 30, 2010 to \$38,729,796 as of June 30, 2011.

The School District retains maximum allowable levels of debt related to its assessed valuation; therefore, the increase in long-term liabilities is due to increased valuation. Net Assets totaling \$14,627,699 are “restricted” for debt service and capital projects.

	June 30, 2009	June 30, 2010	June 30, 2011
<b>Assets</b>			
Cash Assets	\$ 12,459,627	\$ 12,109,638	\$ 16,466,506
Other Current Assets	\$ 7,124,114	\$ 6,066,254	\$ 6,163,513
Bond Issuance Costs	\$ 155,052	\$ 131,917	\$ 148,680
Capital Assets	\$ 162,821,912	\$ 170,709,193	\$ 175,367,662
Depreciation	\$ (47,866,657)	\$ (51,289,697)	\$ (55,792,086)
<b>Total Assets</b>	<b>\$ 134,694,048</b>	<b>\$ 137,727,305</b>	<b>\$ 142,354,275</b>
<b>Liabilities</b>			
Accounts Payable	\$ 1,032,869	\$ 690,486	\$ 354,421
Other Current Liabilities	\$ 5,440,445	\$ 5,268,958	\$ 5,347,941
Current Portion/Long Term	\$ 4,035,000	\$ 4,190,000	\$ 4,315,000
Long Term Liabilities	\$ 35,011,693	\$ 37,705,631	\$ 38,729,796
<b>Total Liabilities</b>	<b>\$ 45,520,007</b>	<b>\$ 47,855,375</b>	<b>\$ 48,747,158</b>
<b>Net Assets</b>			
Invested in Capital Assets	\$ 75,965,255	\$ 77,714,496	\$ 76,851,078
Restricted	\$ 12,630,107	\$ 12,494,714	\$ 14,627,699
Unrestricted	\$ 578,679	\$ (337,280)	\$ 2,128,340
<b>Total Net Assets</b>	<b>\$ 89,174,041</b>	<b>\$ 89,871,930</b>	<b>\$ 93,607,117</b>

## **Statement of Activities**

The Statement of (Governmental) Activities is also 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 School District's net assets for the fiscal year ending June 30, 2011. As of June 30, 2011, the School District had net assets of \$93,607,117 as compared to net assets of \$89,871,930 as of June 30, 2010 and \$89,174,041 as of June 30, 2009.

	June 30, 2009	June 30, 2010	June 30, 2011
<b>Governmental Activities</b>			
Total Governmental Activities	\$ 86,634,605	\$ 85,216,654	\$ 80,890,384
Less Charges for Services	\$ (847,052)	\$ (942,573)	\$ (772,770)
Less Operating Grants and Contributions	\$ (14,793,077)	\$ (20,602,013)	\$ (18,541,001)
Less Capital Grants and Contributions	\$ (10,370,388)	\$ (1,386,715)	\$ (1,873,850)
<b>Net (expenses) Revenues</b>	<b>\$ (60,624,088)</b>	<b>\$ (62,285,353)</b>	<b>\$ (59,702,763)</b>
<b>General Revenues</b>			
Taxes-General, Debt Service, Capital Projects	\$ 8,580,399	\$ 9,411,984	\$ 9,593,433
State Aid not Restricted to Specific Purposes (State Equalization Guarantee - SEG)	\$ 61,582,503	\$ 53,604,042	\$ 54,106,283
Interest and Earnings in Investments	\$ 193,256	\$ 70,075	\$ 28,992
Miscellaneous	\$ 123,359	\$ (102,859)	\$ (290,758)
<b>Subtotal, General Revenues</b>	<b>\$ 70,479,517</b>	<b>\$ 62,983,242</b>	<b>\$ 63,437,950</b>
<b>Changes in Net Assets</b>	<b>\$ 9,855,429</b>	<b>\$ 697,889</b>	<b>\$ 3,735,187</b>
Net Assets Beginning	\$ 79,318,612	\$ 89,174,041	\$ 89,871,930
<b>Net Assets Ending</b>	<b>\$ 89,174,041</b>	<b>\$ 89,871,930</b>	<b>\$ 93,607,117</b>

## **FUND FINANCIAL STATEMENTS**

### **STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCES**

Fund financial statements are based on a *modified accrual* basis of accounting. The Statement of Revenues and Expenditures and Changes in Fund Balances is *not a* new statement to the School District's annual financial reports. This report guides the reader to a meaningful, overall, view of the District's revenues, expenditures and fund balance and changes to the fund balance. This report also shows the revenue and expenditure activities of each major fund and the total of all "other" Governmental Funds. Total revenues from State, Local and Federal sources were \$84,893,660. With the addition of \$9,431,434 in general obligation bond proceeds and Bond underwriter premium(Other Financing Sources), total revenues increase to \$94,325,094. Total expenditures for the School District were \$89,898,017. The total ending Fund Balance was \$16,405,039; an increase of \$4,339,120 from the prior year.

## **MULTI-YEAR DISTRICT REVENUES AND EXPENDITURES**

During the 2010/2011 fiscal year, revenues decreased from prior year balances, revenue by \$(3,162,343) and expenditures decreased by \$(3,974,045). This decrease is mainly due to the reduction of State Equalization Guarantee, which is the main revenue for the Operational Fund. The district also saw a decrease in the revenue from our Bond Building Fund due to lowered assessed valuation of our property tax base.

In general, a multi-year view of overall School District revenues and expenditures indicates a decrease in revenue and a decrease in expenditures. The decrease of revenues and expenditures are commensurate with a decline in student enrollment, reduction in state revenues, unfunded mandates, and an increase in student needs and other educational programs, as well as state and local decreases in revenues for capital outlay purposes.

<b>Year</b>	<b>Total Revenues *</b>	<b>Increase %</b>	<b>Total Expenditures*</b>	<b>Increase %</b>
1996/1997	\$ 41,060,244		\$ 42,317,960	
1997/1998	\$ 49,732,514	22%	\$ 49,218,771	16%
1998/1999	\$ 50,954,992	29%	\$ 53,870,029	9%
1999/2000	\$ 60,492,174	19%	\$ 56,085,681	4%
2000/2001	\$ 66,373,486	10%	\$ 65,727,785	17%
2001/2002	\$ 70,314,391	6%	\$ 72,028,003	10%
2002/2003	\$ 76,605,597	9%	\$ 76,347,148	6%
2003/2004	\$ 75,436,662	(1.5%)	\$ 74,842,654	(2.0)%
2004/2005 **	\$ 87,325,182	15.7%	\$ 86,718,047	15.9%
2005/2006	\$ 84,438,528	(3.31%)	\$ 84,541,105	(2.0)%
2006/2007***	\$ 99,216,680	17.5%	\$ 93,995,800	11.18%
2007/2008	\$ 101,792,107	2.6%	\$ 103,883,263	10.52%
2008/2009	\$ 105,507,566	4.0%	\$ 103,874,640	(.008%)
2009/2010	\$ 93,006,003	(13%)	\$ 93,872,062	(11%)
2010/2011	\$ 89,843,660	(3.5%)	\$ 89,898,017	(4.35%)

\* **Note:** Revenues include proceeds from general obligation bonds and exclude cash carryovers; Expenditures include capital outlays.

\*\* **Note:** includes revenues and expenditures from November 2004 –Series 1995, 1996, 1997 G.O. Bond refunding; November 2004 G.O. Bond Sale; March 2005.

\*\*\* **Note:** includes an October 2006 BAN sale and a savings of \$122,327 in interest payments due the prior year's refinancing of debt.

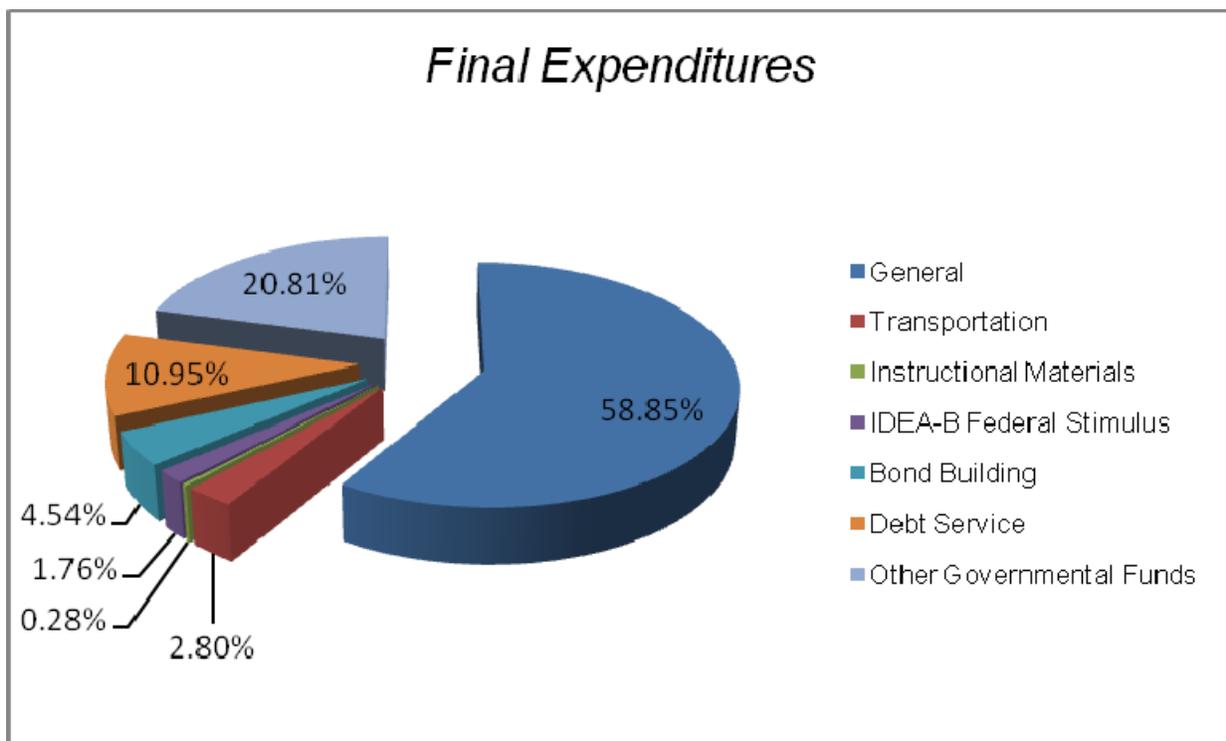
## **THE BUDGET**

The State of New Mexico school budget process is defined under New Mexico State Statutes (Section 22-8, Public School Finance) and the New Mexico Administrative Code (Section 6). To enhance the process of developing a budget at the school district level, the Los Lunas School District utilizes goals and objectives defined by the Los Lunas School Board, community/parent input meetings, the district's five-year facility master plan, long term planning and input from various staff groups to develop the School District budget. School 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 separate statements.

Major budgetary funds in these reports are; The General Fund (Operations Fund), Transportation, Instructional Materials, Debt Service, Bond Building, and IDEA-B Entitlement Federal Stimulus. In addition, fifty-three (53) active, non-major, Special Revenue Funds and two (2) non-major Capital Projects funds are also reported for their budgetary performance. Non-major funds include Special Revenue funds, such as Title I and IDEA funds.

Non-major Capital Project funds include HB33 (3 Mill levy), and SB-9 (2 Mill Levy). 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 Operations Fund Final Expenditures represents 58.85% of the total fund dollar amount compared to 58.18% in FY 2009/2010. This fund provides the salary and benefits for the significant majority of the Instructional, Instructional Support and School Support, Maintenance and Administrative 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 Operations Fund is explored later in the Management Discussion and Analysis.

The following table examines the summary budget performance of the major funds for the fiscal year ending June 30, 2011. Detail budget performance is examined through the Statement of Revenues and Expenditures, Budget and Actual for each major and non-major fund.

**MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE  
(NON-GAAP)**

<b>FUND TYPE</b>	<b>FINAL BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
Operations (11000)	\$ 54,690,108	\$ 52,841,412	\$ 1,848,696
Transportation (13000)	\$ 2,507,111	\$ 2,507,111	\$ 0
Instructional Materials (14000)	\$ 601,269	\$ 250,208	\$ 351,061
IDEA-B Entitlement-Fed Stim. (24206)	\$ 1,900,839	\$ 1,492,956	\$ 407,883

All major and non-major funds fell within the strict regulatory criteria set by the Public Education Department and New Mexico Statute that no funds may be over-expended at either the fund, or function level. Both the Manual of Procedures for Public School Accounting and NMSA 8-22-5, 1978, Annotated, require that budget expenditures be within the authorization of the approved budget.

Non-major funds, while important to the success of school operations, do not represent a significant fiscal impact to warrant specific discussion.

**The General (Operations) Fund**

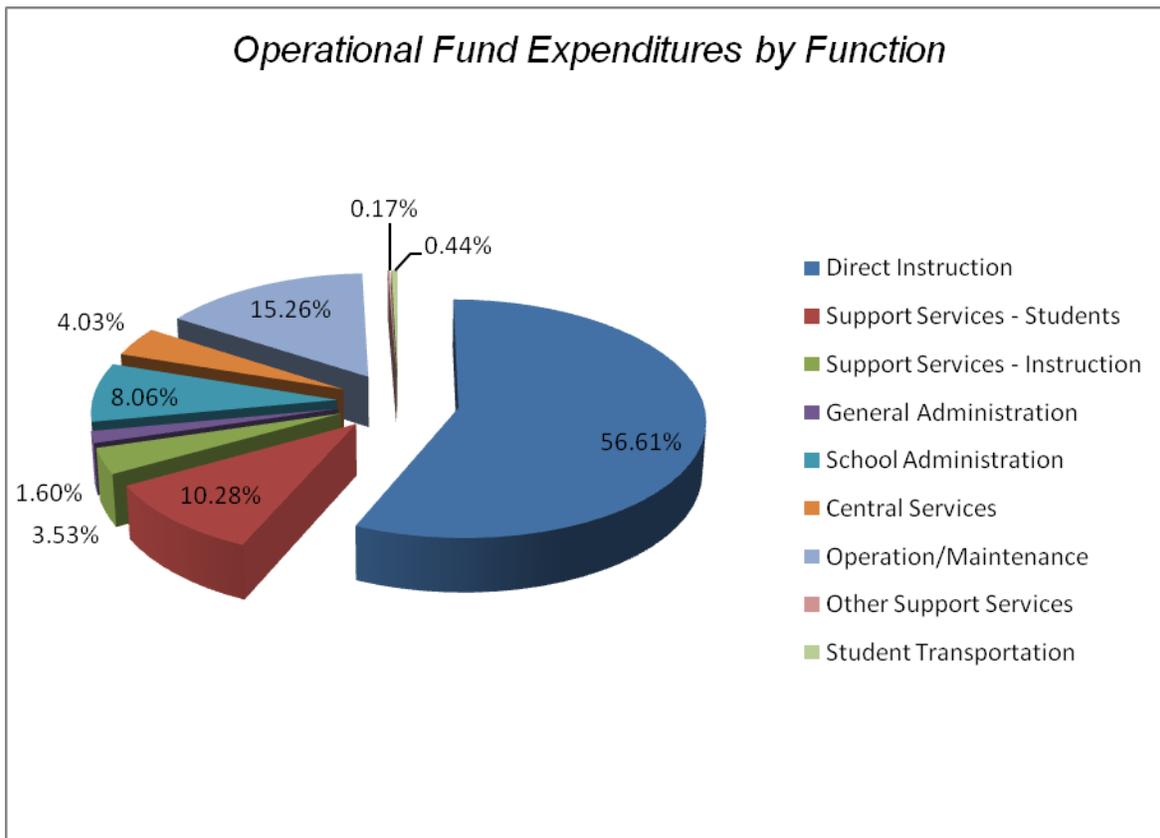
The Operations Fund serves as the School District General (Operations) Fund and is the largest Fund. Because the Operations Fund revenues represent \$54,991,153 of the total \$89,843,660 of School District revenues (inclusive of bond proceeds), the significant impact of this fund on School District Operations must be kept in context.

The General (Operations) 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 administrative staff. The General (Operations) Fund provides the predominant funding for athletics and student activities.

**GENERAL (OPERATIONS) FUND REVENUES**

<b>YEAR</b>	<b>REVENUES</b>	<b>INCREASE %</b>
1997/1998	\$ 31,821,997	11%
1998/1999	\$ 36,791,198	16%
1999/2000	\$ 38,648,467	5%
2000/2001	\$ 42,095,896	9%
2001/2002	\$ 46,826,574	11%
2002/2003	\$ 46,398,919	(1%)
2003/2004	\$ 48,454,893	4.4%
2004/2005	\$ 50,430,536	4.1%
2005/2006	\$ 54,254,563	7.6%
2006/2007	\$ 58,216,044	7.3%
2007/2008	\$ 62,026,642	6.5%
2008/2009	\$ 62,138,555	.182%
2009/2010	\$ 54,295,485	(14%)
2010/2011	\$ 54,991,153	1.2%

Because the General (Operations) Fund is the main fund in which expenditures are significantly related to the educational process, \$52,901,522 was expended in the year ending June 30, 2011. The most significant inter-fund expense was for the function noted as “Instruction” (Direct Instruction). This expenditure was \$29,949,683 or 56.61% of all General (Operations) Fund expenditures, compared with fiscal year 2009/2010 of \$32,264,185 (59.07%). Expenditures included in this function are Regular Education, Special Education and Early Childhood Education teachers and educational assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services. Approximately 85% of all General (Operations) Fund expenditures are for employee salaries, payroll taxes and benefits.



The following discussion on the General (Operations) Fund budget will relate functional expenditures for the year ending June 30, 2011, exclusive of Capital Outlay expenditures, for the Operations Fund. Direct Instruction represents 56.61% of all General (Operations) Fund expenditures. This represents a 2.46% decrease compared to the year fiscal ending June 30, 2010. Direct Instruction expenditures account for regular education, vocational education, bilingual education, special education and kindergarten teachers and educational assistants’ salaries, payroll taxes and benefits.

**PERCENTAGE OF DIRECT INSTRUCTION TO TOTAL EXPENDITURES  
OPERATIONS FUND  
(GAAP)**

<b>Year</b>	<b>Direct Instruction Cost</b>	<b>Actual Expenditures</b>	<b>%</b>
2003/2004	\$ 28,126,543	\$ 48,076,841	58.5%
2004/2005	\$ 30,404,078	\$ 51,081,357	59.4%
2005/2006	\$ 31,909,199	\$ 53,742,851	59.4%
2006/2007	\$ 34,342,180	\$ 58,308,781	58.9%
2007/2008	\$ 36,685,109	\$ 62,703,997	58.8%
2008/2009	\$ 36,735,064	\$ 63,474,138	57.9%
2009/2010	\$ 32,264,185	\$ 54,618,319	59.1%
2010/2011	\$ 29,949,683	\$ 52,901,522	56.6%

The table above has been included to convey to the reader the School District's budgetary commitment to maximize expenditures in the "classroom". The table shows that expenditures in the area of Direct Instruction average 58.58% since the 2003/2004 year.

**GENERAL (OPERATIONS) FUND EXPENDITURES BY FUNCTION  
(NON-GAAP)**

<b>Function</b>	<b>Final Budget</b>	<b>Expenditure</b>	<b>Variance</b>	<b>Percentage (Expenditure)<sup>Note 1</sup></b>
Instruction (Direct)	\$ 29,984,691	\$ 29,951,204	\$ 33,487	56.68%
Support Services				
Students	\$ 6,172,158	\$ 5,440,889	\$ 731,269	10.30%
Instruction	\$ 1,884,055	\$ 1,775,043	\$ 109,012	3.36%
General Administration	\$ 819,252	\$ 827,440	\$ (8,188)	1.57%
School Administration	\$ 4,463,094	\$ 4,256,231	\$ 206,863	8.05%
Central Services	\$ 2,343,044	\$ 2,145,622	\$ 197,422	4.06%
Operations and Maintenance	\$ 8,222,215	\$ 8,118,098	\$ 104,117	15.36%
Other Support Services	\$ 801,599	\$ 91,982	\$ 709,617	0.02%
Transportation	\$ 0	\$ 234,903	\$ (234,903)	0.04%
Capital Outlay	0	0	0	0.00%
<b>Total</b>	<b>\$ 54,690,108</b>	<b>\$ 52,841,412</b>	<b>\$ 1,848,696</b>	<b>100.00%</b>

**Note 1:** Percentage of expenditure to total expenditures. Statement of Revenues, Expenditures, and Changes in fund Balance

Instructional Support represents 21.71% (compared to 23.82% last fiscal year 2009/2010) of General (Operations) Fund expenditures, and accounts 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 for the entire operations of the School District; these programs combined represent 5.63% of the total General (Operations) Fund. Maintenance and Operations account for 15.36% of the General (Operations) Fund expenditures. Included in the Maintenance and

Operations expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies/equipment and school custodial supplies/equipment. Because of the expansion/addition of school facilities and increases to the utility costs, this functional expenditure will need to be increased to meet school needs. Additional support for maintenance supplies and projects comes from the voter approved Two-Mill Levy Fund, which is also given a state matching grant. The General (Operations) Fund also supports expenditures for school athletics and student activities.

### **OPERATIONS BUDGET RESERVE FUNDS**

The School District maintains a Non-Operating function within the General (Operations) Fund as a reserve against unexpected emergency expenses or unexpected and unpredicted reductions in revenues. Most unexpected emergency expenses are those related to legal settlements or facility repairs. Facility issues can be addressed through the School District Two-Mill Levy Fund or insurance coverage that lessens the need for the School District to maintain a high Operations Fund reserve. The budget for the 2010/2011 fiscal year reflects a reserve fund of \$557,146. Due to the loss of students for the upcoming 2011/2012 school year, and the reduction of Special Education students, the budget for the 2011/2012 school year reflects a reserve amount of \$525,491.

### **CAPITAL ASSETS**

GASB 34 requires public entities to depreciate capital assets. As of June 30, 2011, the School District capital assets were valued at \$119,575,576 after depreciation. This statement includes total accumulated depreciation of the School District's capital assets in the amount of \$55,792,086. The School District utilizes a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation. Utilization of depreciation concepts by public entities allows the reader to know if the entity is replacing its assets at a rate in which they are being used. In accordance with State Statute, State Regulations and School Board Policy, all assets with a value in excess of \$5,000 are capitalized.

Because of past student growth and certain aging facilities, the School District has taken a planned and focused approach towards investing in equipment, and building new facilities as well as adding to and maintaining existing facilities. This effort is evidenced by the substantial and continuous investment in the "Capital Outlay" account. This planning includes applications for additional capital funding support from the Public School Capital Outlay Council (PSCOC).

In addition to construction, the School District continued planned efforts to replace old vehicles, enhance technology, and replace outdated school furnishings and equipment. In order to assure that aged equipment and vehicles are replaced on a routine basis, the Board of Education enacted a policy mandating that the replacement of equipment be funded, yearly, as a matter of routine. Schedules for equipment replacement will be included in future G.O. Bond elections and/or the Two Mill Levy.

The following table illustrates the three-year history of year-end balances for the School District's investment in all capital assets:

## CAPITAL ASSETS

Asset Type	Balance June 30, 2009	Balance June 30, 2010	Balance June 30, 2011
Land and Land Improvements	\$ 10,704,489	\$ 11,089,993	\$ 11,340,827
Buildings and Building Improvements	\$ 117,328,778	\$ 143,042,668	\$ 147,403,746
Furniture, Fixtures and Equipment	\$ 5,096,362	\$ 5,290,260	\$ 4,982,458
Vehicles	\$ 8,099,764	\$ 7,226,758	\$ 7,501,122
Construction in Progress	\$ 21,592,519	\$ 4,059,514	\$ 4,139,509
<b>Total Assets</b>	<b>\$ 147,863,991</b>	<b>\$ 170,709,193</b>	<b>\$ 175,367,662</b>
Less Accumulated Depreciation	\$ (47,866,658)	\$ (51,289,698)	\$ (55,792,086)
Capital Assets - Net	\$ 114,955,254	\$ 119,419,495	\$ 119,575,576
<b>Net Change in Assets</b>	<b>\$ 11,384,147</b>	<b>\$ 4,464,241</b>	<b>\$ 156,081</b>

This table shows that the School District is, despite operational decreases and loss of students, still diligently replacing assets and building facilities to accommodate the student needs as indicated in a net increase of Capital Assets in the amount of \$156,081 as of June 30, 2011.

### GENERAL LONG-TERM DEBT

Article IX, Section 11 of the New Mexico Constitution limits the powers of a school district to incur general obligation debt beyond a school year. The School District can incur such debt 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 the 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 School District. Currently, long-term debt may not exceed \$44,389,469. Total Long-Term Debt, including a recent bond sale and refunding in September 13, 2011 is \$44,245,000.

The School District has maintained a level of indebtedness to the maximum extent allowed. The policy to maintain this amount of debt is largely due to the need to add additional facilities in order to meet student population requirements upgrade and expand existing facilities, and to leverage additional funds available from Public School Capital Outlay. Public School Capital Outlay Fund awards give higher funding priorities to school districts with lower assessed valuations and higher levels of indebtedness. The most recent general obligation bond election was held on February 1, 2008 in which the School District’s voters approved a \$30.0 million, four-year, General Obligation Bond initiative by a margin exceeding 75%. This election was held one year earlier due to the increase in assessed valuation of taxable property within the School District.

During the fiscal year ending June 30, 2011, the School District made one sale of General Obligation Bonds in the amount of \$9,175,000 in October 2010. The sale included \$4,950,000 for new debt and \$4,225,000 to refund the District's outstanding General Obligation Bonds, Series 2000, Series April 15, 2001, and Series October 15, 2001. This bond sale was the third issuance of the 2008 General Obligation Bond election. As a result, of action taken by the 2002 legislature, a statute was enacted to allow school districts to complete sales of Bond Anticipation Notes (BANs). This legislation allows school districts to enter into short-term borrowing agreements and make repayments with the proceeds of future general obligation bond sales. Borrowing may not be longer than a one-year term and limited to the amount of the principal retirement for that year. The district did not enter into any BAN agreements for the fiscal year 2010/2011.

The School District has an Aa1 underlying rating for the October 2010 bond sale. Effective July 1, 2003, School District bonds also carry the *enhanced* State of New Mexico bond rating of Aa2. This action was authorized in Senate Bill 847. The effect of this bill will be to reduce the risk to bond holders and, as a consequence, reduce the interest costs to the taxpayer. The School District has never defaulted on any of its debt or other obligations. Listed below is the School District's total general obligation debt as of June 30, 2011, inclusive of the Bond Sale on October 2010 of \$9,175,000.

YEAR ENDED JUNE 30	PRINCIPAL	INTEREST	TOTAL
2012	\$ 4,315,000	\$ 1,451,868	\$ 5,766,868
2013	\$ 4,230,000	\$ 1,284,411	\$ 5,514,411
2014	\$ 4,380,000	\$ 1,138,930	\$ 5,518,930
2015	\$ 4,220,000	\$ 988,180	\$ 5,208,180
2016	\$ 3,550,000	\$ 853,068	\$ 4,403,068
2017-2021	\$17,100,000	\$ 2,428,318	\$19,528,319
2022-2026	\$ 4,820,000	\$ 173,981	\$ 4,993,981
<b>Total</b>	<b>\$42,615,000</b>	<b>\$ 8,318,756</b>	<b>\$ 50,933,756</b>

The School District recommends the Official Statement, dated September 13, 2011 to a reader desiring to know more about the School District's long-term debt and community demographics. This Official Statement may be obtained by visiting our web site at [www.llschools.net](http://www.llschools.net) under the Business Office tab, or by contacting:

RBC Capital Markets.  
6301 Uptown Blvd. NE, Suite 110  
Albuquerque, NM 87110

In addition to the sale of General Obligation Bonds, the School District is eligible to receive awards from the Public Schools Capital Outlay Council (PSCOC) in accordance with Senate Bill 513, Chapter 147 Section 10(b) NMSA. The impact of these various awards is discussed throughout this Management Discussion and Analysis.

## **AGENCY FUNDS**

The School District, as a custodian, maintains and monitors special funds on behalf of the schools and school activity groups. Agency funds maintained by the School District are to benefit a specific activity or interest and are generally raised by students for student use.

While each school site is responsible for the administration of the agency funds, the custody and use of these funds are in accordance with Public Education Department Regulations and School District Policy. The management of these funds is in accordance with Business Office procedures and all banking is performed through School District accounts. The funds are also subject to annual review by the School District's Independent Auditor. The year ending June 30, 2011 states the accumulated balance of all agency funds was \$491,404.

## **FUTURE TRENDS**

The Economy, the State Budget and particularly Public School Funding in New Mexico are in danger: due to New Mexico State budget revenue short falls and reduction in revenues in the area of oil and natural gas resources, state revenues have shown significant decreases. The final funded Unit Value of public schools for the 2010/2011 school year was decreased by an additional (\$102.41) per unit. As a result, of revenue shortfalls and the subsequent passage of the American Recovery and Reinvestment Act (ARRA) there was \$2,124,253. in federal stabilization dollars that were appropriated as part of the State Equalization Guarantee (SEG) for 2010/2011. Even with the ARRA funds the total combined unit value for 2010/2011 still resulted in an additional (\$101.87) decrease from the previous year. New Mexico's budget, like that of other states and the country at large, is reeling within a difficult economy. The 2011/2012 budget was prepared without ARRA funding. The district reduced additional positions and other expenditures in order to survive the loss of revenue and still try to hold on to a small level of reserves. The District was hopeful that we would enter the new fiscal year with additional students enrolled, however within the first weeks of school the opposite trend has occurred. The district will continue to look for saving opportunity and work to maintain within their budget.

**Local Assessments General and Obligation Bonds:** Local property taxes serve as the revenue source for the repayment of general obligation bonds. Because of the slowed growth of both residential and commercial assessed valuation for properties in the Los Lunas School District, the School District has been able to concentrate on renovating older buildings, security upgrades for existing buildings, and HVAC upgrades to existing facilities as supposed to needing more classroom space. The following table illustrates the slowed growth of the assessed valuation for both the Los Lunas Schools and Valencia County.

## VALUATION TABLE

TAX YEAR	LOS LUNAS SCHOOLS	VALENCIA COUNTY
2011	*\$ 739,824,491	*\$ 1,241,920,127
2010	\$ 720,675,864	\$ 1,203,236,710
2009	\$ 701,862,203	\$ 1,166,647,954
2008	\$ 653,498,879	\$ 1,055,871,740
2007	\$ 601,593,453	\$ 978,386,196
2006	\$ 524,498,886	\$ 875,594,467
2005	\$ 479,881,276	\$ 820,258,813
2004	\$ 447,871,070	\$ 771,579,462
2003	\$ 457,628,275	\$ 778,317,018
2002	\$ 412,948,320	\$ 687,197,444
2001	\$ 400,435,727	\$ 678,216,414
2000	\$ 378,025,851	\$ 601,120,398
1999	\$ 360,259,568	\$ 568,808,478
1998	\$ 295,512,079	\$ 539,539,467

\*Note: Preliminary Assessment

\* Source: Official Statement Dated September 13, 2011

.Because of slow moving development in both the residential and commercial properties in the School District, it is expected that future assessed valuations will continue a flat or very small growth pattern. It is also expected that voter support for the Los Lunas Schools will continue to be strong and revenues from General Obligation Bond proceeds will continue to be an integral part of the School District Master Plan.

**Community Growth:** In the past year, the community has seen a minimal number of residential growth in our district. Most of the growth and homebuilding is focused on the West side of the District. We expect this trend to continue for the upcoming 2011/2012 fiscal year due to the current economic conditions in NM and the nation in general. All near future projections are expected to include, lower projected gas and oil revenues, a flat growth pattern in assessed valuation of taxable property within the School District, no growth in student population and a cautious eye toward future bond and Mill Levy initiatives for the next two-five years.

**District Master Planning:** The District has contracted with Greer Stafford/SJCF Inc. to provide master planning for the Los Lunas School District. Because of the potential for student population growth, the School is undertaking a master planning process to look at future student population projections and existing school utilization for a five-year period. This project will help the District plan new school locations and provide analytical data for use by the District and the Public Schools Capital Outlay Council that will affect future capital funding needs. The District's current Maser Plan is good through December 2010. The School district is required to issue a new Master Plan by November 2011. We are currently on schedule to have that process complete.

## **Contacting the Los Lunas Schools**

This financial report is designed to provide our community, taxpayers, investors and creditors with an overview of the Los Lunas School District's financial condition and to provide accountability for the funds the School District receives. If you have questions about our report or about the operations of the Los Lunas School District, please visit our web site at [www.llschools.net](http://www.llschools.net), or contact:

**Bernard Saiz**  
Superintendent  
Los Lunas Schools  
PO Drawer 1300  
Los Lunas, NM 87031  
[bsaiz@llschools.net](mailto:bsaiz@llschools.net)

**or**

**Claire Cieremans**  
Chief Financial Officer  
Los Lunas Schools  
PO Drawer 1300  
Los Lunas NM 87031  
[ccieremans@llschools.net](mailto:ccieremans@llschools.net)

**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

Exhibit A-1  
(Page 1 of 2)

	<u><b>Governmental Activities</b></u>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 16,466,506
Receivables (net of allowance for uncollectibles)	5,912,349
Inventory	251,164
Total current assets	<u>22,630,019</u>
Noncurrent assets	
Bond issuance costs (net of amortization of \$147,203)	148,680
Capital assets (net of accumulated depreciation):	
Construction in progress	4,139,509
Land and land improvements	11,340,827
Buildings and building improvements	147,403,746
Furniture, fixtures and equipment	4,982,458
Vehicles	7,501,122
Less: accumulated depreciation	<u>(55,792,086)</u>
Total noncurrent assets	<u>119,724,256</u>
Total assets	<u><u>\$ 142,354,275</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

Exhibit A-1  
(Page 2 of 2)

		<u><b>Governmental Activities</b></u>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable	\$	354,421
Accrued payroll liabilities		4,087,872
Accrued compensated absences		514,915
Accrued interest		709,921
Deferred revenue		35,233
Current portion of long-term debt		4,315,000
Total current liabilities		<u>10,017,362</u>
Noncurrent liabilities:		
Bond underwriter premiums (net of amortization of \$227,680)		258,178
Bonds due in more than one year		38,300,000
Compensated absences		171,618
Total noncurrent liabilities		<u>38,729,796</u>
Total liabilities		48,747,158
Invested in capital assets, net of related debt		76,851,078
Restricted for:		
Debt service		6,247,622
Capital projects		8,380,077
Unrestricted		2,128,340
Total net assets		<u>93,607,117</u>
Total liabilities and net assets	\$	<u><u>142,354,275</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Service</u>
<b>Primary Government</b>		
Governmental activities:		
Instruction	\$ 37,962,537	\$ 303,616
Support services:		
Students	6,381,311	-
Instruction	2,766,881	-
General Administration	1,269,762	-
School Administration	5,267,459	-
Other Support Services	91,982	-
Central Services	2,421,001	-
Operation & Maintenance of Plant	11,545,513	-
Student Transportation	3,279,242	-
Food Services Operation	4,110,618	469,154
Community Services	-	-
Depreciation and amortization - unallocated	4,331,364	-
Interest on long-term debt	1,462,714	-
<b>Total Primary Government</b>	<b>\$ 80,890,384</b>	<b>\$ 772,770</b>

The accompanying notes are an integral part of these financial statements

<b>Program Revenues</b>			<b>Net (Expenses) Revenues and Changes in Net Assets</b>
<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>		
\$ 10,734,411	\$ -		\$ (26,924,510)
1,325,845	-		(5,055,466)
240,792	-		(2,526,089)
-	-		(1,269,762)
-	-		(5,267,459)
-	-		(91,982)
41,652	-		(2,379,349)
300,000	1,873,850		(9,371,663)
2,413,868	-		(865,374)
3,484,433	-		(157,031)
-	-		-
-	-		(4,331,364)
-	-		(1,462,714)
<u>\$ 18,541,001</u>	<u>\$ 1,873,850</u>		<u>(59,702,763)</u>

**General Revenues:**

Property taxes:	
Levied for general purposes	\$ 178,464
Levied for debt service	5,856,121
Levied for capital projects	3,558,848
State Equalization Guarantee	54,106,283
Unrestricted investment earnings	28,992
Loss on sale of fixed assets	(481,640)
Transfer to fiduciary funds	(87,957)
Miscellaneous	278,839
	<u>63,437,950</u>
Total general revenues	
Change in net assets	3,735,187
Net assets - beginning	<u>89,871,930</u>
Net assets - ending	<u>\$ 93,607,117</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2011**

	Operational Fund			IDEA-B
	General 11000	Transportation 13000	Instructional Materials 14000	Entitlement Federal Stimulus 24206
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 1,180,174	\$ -	\$ 351,678	\$ -
Accounts receivable				
Taxes	41,526	-	-	-
Due from other governments	35,725	-	-	1,056,938
Interfund receivables	3,441,812	-	-	-
Other	-	-	-	-
Inventory	-	29,235	-	-
<i>Total assets</i>	<u>4,699,237</u>	<u>29,235</u>	<u>351,678</u>	<u>1,056,938</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	191,036	-	-	92,366
Accrued payroll liabilities	3,967,042	6,743	-	-
Interfund payables	-	-	-	964,572
Deferred revenue - property taxes	41,526	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>4,199,604</u>	<u>6,743</u>	<u>-</u>	<u>1,056,938</u>
<i>Fund balances</i>				
Fund Balance:				
Nonspendable	-	29,235	-	-
Restricted for:				
Debt service	-	-	-	-
Special Revenue	-	-	-	-
General Fund	-	-	-	-
Committed for capital projects	-	-	-	-
Assigned	99,891	(6,743)	351,678	-
Unassigned	399,742	-	-	-
<i>Total fund balance</i>	<u>499,633</u>	<u>22,492</u>	<u>351,678</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 4,699,237</u>	<u>\$ 29,235</u>	<u>\$ 351,678</u>	<u>\$ 1,056,938</u>

The accompanying notes are an integral part of these financial statements

Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ 6,052,090	\$ 5,293,966	\$ 3,588,598	\$ 16,466,506
-	1,177,128	717,414	1,936,068
-	-	2,733,922	3,826,585
-	-	-	3,441,812
-	-	149,696	149,696
-	-	221,929	251,164
<u>6,052,090</u>	<u>6,471,094</u>	<u>7,411,559</u>	<u>26,071,831</u>
-	-	71,019	354,421
-	-	114,087	4,087,872
-	-	2,477,240	3,441,812
-	1,059,885	646,043	1,747,454
-	-	35,233	35,233
<u>-</u>	<u>1,059,885</u>	<u>3,343,622</u>	<u>9,666,792</u>
-	-	221,929	251,164
-	5,411,209	-	5,411,209
-	-	1,682,259	1,682,259
-	-	-	-
6,052,090	-	1,681,944	7,734,034
-	-	481,805	926,631
<u>-</u>	<u>-</u>	<u>-</u>	<u>399,742</u>
<u>6,052,090</u>	<u>5,411,209</u>	<u>4,067,937</u>	<u>16,405,039</u>
<u>\$ 6,052,090</u>	<u>\$ 6,471,094</u>	<u>\$ 7,411,559</u>	<u>\$ 26,071,831</u>

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**GOVERNMENTAL FUNDS**

Exhibit B-1  
(Page 2 of 2)

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

	Governmental Funds
Amounts reported for governmental activities in the statement of net assets are different because:	
Fund balances - total governmental funds	\$ 16,405,039
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	119,575,576
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	1,747,454
Bond issuance costs, including original issue discounts and premiums are not financial resources and therefore are not reported in the funds	
Bond issuance costs net of related accumulated amortization	148,680
Bond underwriter premiums net of accumulated amortization	(258,178)
Accrued interest	(709,921)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(686,533)
General obligation bonds	(42,615,000)
Net Assets-total Governmental Activities	\$ 93,607,117

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	Operational Fund			IDEA-B
	General 11000	Transportation 13000	Instructional Materials 14000	Entitlement Federal Stimulus 24206
<i>Revenues:</i>				
Property taxes	\$ 168,030	\$ -	\$ -	\$ -
State grants	54,106,283	2,413,868	339,206	-
Federal grants	426,655	-	-	1,585,322
Charges for service	2,546	-	-	-
Miscellaneous	278,179	660	-	-
Interest	9,460	169	409	-
<i>Total revenues</i>	<u>54,991,153</u>	<u>2,414,697</u>	<u>339,615</u>	<u>1,585,322</u>
<i>Expenditures:</i>				
Current:				
Instruction	29,949,683	-	250,208	793,360
Support Services				
Students	5,440,889	-	-	-
Instruction	1,866,642	-	-	735,000
General Administration	848,374	-	-	56,962
School Administration	4,264,528	-	-	-
Central Services	2,131,043	-	-	-
Operation & Maintenance of Plant	8,073,478	-	-	-
Student Transportation	234,903	2,518,421	-	-
Other Support Services	91,982	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>52,901,522</u>	<u>2,518,421</u>	<u>250,208</u>	<u>1,585,322</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>2,089,631</u>	<u>(103,724)</u>	<u>89,407</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	(87,957)	-	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(87,957)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>2,001,674</u>	<u>(103,724)</u>	<u>89,407</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>(1,502,041)</u>	<u>126,216</u>	<u>262,271</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 499,633</u>	<u>\$ 22,492</u>	<u>\$ 351,678</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 5,674,862	\$ 3,449,033	\$ 9,291,925
1,613,473	-	990,753	59,463,583
-	-	13,045,574	15,057,551
-	-	770,224	772,770
-	-	-	278,839
15,465	527	2,962	28,992
<u>1,628,938</u>	<u>5,675,389</u>	<u>18,258,546</u>	<u>84,893,660</u>
-	-	6,874,272	37,867,523
-	-	935,798	6,376,687
-	-	156,938	2,758,580
-	24,288	339,196	1,268,820
-	-	1,003,704	5,268,232
-	-	6,276	2,137,319
-	-	575,309	8,648,787
-	-	42,424	2,795,748
-	-	-	91,982
-	-	4,083,525	4,083,525
-	-	-	-
4,084,014	-	4,693,087	8,777,101
-	8,265,000	-	8,265,000
-	1,525,751	-	1,525,751
-	32,962	-	32,962
<u>4,084,014</u>	<u>9,848,001</u>	<u>18,710,529</u>	<u>89,898,017</u>
<u>(2,455,076)</u>	<u>(4,172,612)</u>	<u>(451,983)</u>	<u>(5,004,357)</u>
-	-	-	(87,957)
5,035,892	4,139,108	-	9,175,000
126,500	129,934	-	256,434
<u>5,162,392</u>	<u>4,269,042</u>	<u>-</u>	<u>9,343,477</u>
<u>2,707,316</u>	<u>96,430</u>	<u>(451,983)</u>	<u>4,339,120</u>
<u>3,344,774</u>	<u>5,314,779</u>	<u>4,519,920</u>	<u>12,065,919</u>
<u>\$ 6,052,090</u>	<u>\$ 5,411,209</u>	<u>\$ 4,067,937</u>	<u>\$ 16,405,039</u>

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Exhibit B-2  
 (Page 2 of 2)

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2011

	Governmental Funds
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ 4,339,120
<p>Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.</p>	
Depreciation expense	(4,564,998)
Capital Outlays	5,202,718
Loss on disposal of capital assets	(481,640)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds</p>	
Change in deferred revenue related to the property taxes receivable	301,508
<p>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:</p>	
Bond issuance costs	32,962
Amortization of bond issuance costs	(16,199)
Bond underwriter premiums	(256,434)
Amortization of original issue premium	15,819
Decrease in accrued interest payable	63,037
Decrease in accrued compensated absences	9,294
Bond proceeds	(9,175,000)
Principal payments on bonds	8,265,000
Change in Net Assets-total Governmental Activities	\$ 3,735,187

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**GENERAL FUND**

Exhibit C-1

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

	<u>Budgeted Amounts</u>			Variance
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<i>Revenues:</i>				
Property taxes	\$ 175,013	\$ 175,013	\$ 173,284	\$ (1,729)
State grants	55,638,858	54,072,053	54,106,283	34,230
Federal grants	223,334	223,334	426,655	203,321
Miscellaneous	33,000	33,000	254,152	221,152
Interest	15,000	15,000	9,460	(5,540)
<i>Total revenues</i>	<u>56,085,205</u>	<u>54,518,400</u>	<u>54,969,834</u>	<u>451,434</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	31,569,832	29,984,691	29,951,204	33,487
Support Services				
Students	6,172,158	6,172,158	5,440,889	731,269
Instruction	1,948,242	1,884,055	1,775,043	109,012
General Administration	824,750	819,252	827,440	(8,188)
School Administration	4,528,201	4,463,094	4,256,231	206,863
Central Services	2,371,210	2,343,044	2,145,622	197,422
Operation & Maintenance of Plant	8,344,592	8,222,215	8,118,098	104,117
Student Transportation	-	-	234,903	(234,903)
Other Support Services	801,599	801,599	91,982	709,617
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>56,560,584</u>	<u>54,690,108</u>	<u>52,841,412</u>	<u>1,848,696</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(475,379)</u>	<u>(171,708)</u>	<u>2,128,422</u>	<u>2,300,130</u>
<i>Other financing sources (uses):</i>				
Designated cash	475,379	171,708	-	(171,708)
Operating transfers	-	-	(87,957)	(87,957)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>475,379</u>	<u>171,708</u>	<u>(87,957)</u>	<u>(259,665)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,040,465</u>	<u>2,040,465</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,581,521</u>	<u>2,581,521</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,621,986</u>	<u>\$ 4,621,986</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			21,319	
Adjustments to expenditures			(60,110)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 2,001,674</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Exhibit C-2

## LOS LUNAS SCHOOLS

## TRANSPORTATION FUND

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	2,529,911	2,460,075	2,413,868	(46,207)
Federal grants	-	-	-	-
Miscellaneous	-	660	660	-
Interest	-	169	169	-
<i>Total revenues</i>	<u>2,529,911</u>	<u>2,460,904</u>	<u>2,414,697</u>	<u>(46,207)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	2,529,911	2,507,111	2,507,111	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,529,911</u>	<u>2,507,111</u>	<u>2,507,111</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(46,207)</u>	<u>(92,414)</u>	<u>(46,207)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	46,207	-	(46,207)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>46,207</u>	<u>-</u>	<u>(46,207)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(92,414)</u>	<u>(92,414)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>92,414</u>	<u>92,414</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			(11,310)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (103,724)</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	298,576	397,852	339,206	(58,646)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	409	409
<i>Total revenues</i>	<u>298,576</u>	<u>397,852</u>	<u>339,615</u>	<u>(58,237)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	501,993	601,269	250,208	351,061
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>501,993</u>	<u>601,269</u>	<u>250,208</u>	<u>351,061</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(203,417)</u>	<u>(203,417)</u>	<u>89,407</u>	<u>292,824</u>
<i>Other financing sources (uses):</i>				
Designated cash	203,417	203,417	-	(203,417)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>203,417</u>	<u>203,417</u>	<u>-</u>	<u>(203,417)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>89,407</u>	<u>89,407</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>262,271</u>	<u>262,271</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 351,678</u>	<u>\$ 351,678</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 89,407</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Exhibit C-3

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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	650,000	1,900,839	556,887	(1,343,952)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	650,000	1,900,839	556,887	(1,343,952)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	298,170	959,046	760,312	198,734
Support Services				
Students	-	-	-	-
Instruction	327,455	875,191	675,682	199,509
General Administration	24,375	66,602	56,962	9,640
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	650,000	1,900,839	1,492,956	407,883
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(936,069)	(936,069)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(936,069)	(936,069)
<i>Fund balances - beginning of year</i>	-	-	(28,503)	(28,503)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (964,572)	\$ (964,572)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			1,028,435	
Adjustments to expenditures			(92,366)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**AGENCY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**JUNE 30, 2011**

Exhibit D-1

	<u>Agency Funds</u>
<b>ASSETS</b>	
<i>Current Assets</i>	
Cash	<u>\$ 491,404</u>
<i>Total assets</i>	<u><u>491,404</u></u>
 <b>LIABILITIES</b>	
<i>Current Liabilities</i>	
Deposits held in trust for others	<u>491,404</u>
<i>Total liabilities</i>	<u><u>\$ 491,404</u></u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

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

The Los Lunas School Board was created under the provision of Chapter 22 Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District. The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the state of New Mexico and the regulations of the State Board of Education and the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years.

The School Board operates seventeen schools within the District with a total enrollment of approximately 8,454 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

The financial statements of Los Lunas Schools (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the District's accounting policies are described below.

**A. Reporting Entity**

GASB Statement No. 14 established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The District also has no *component units*, as defined by GASB Statement No. 14 and/or GASB Statement No. 39, as there are no other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

**B. Government-wide and fund financial statements**

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

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

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.

**STATE OF NEW MEXICO**  
**LOS LUNAS 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*

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.

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.

Ad valorem taxes (property taxes), and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary fund operating revenue, such as charges for service, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenue, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt. Governmental funds include:

The *General Fund* is the primary operating fund of the District, and accounts for all financial resources, except those required to be accounted for in other funds.

The *Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**STATE OF NEW MEXICO**  
**LOS LUNAS 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)*

The *Debt Service Funds* account for the services of long-term debt not being financed by proprietary or nonexpendable trust funds.

The *Capital Projects Funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB #34, the District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following (in addition to the General Fund), which include funds that were not required to be presented as major but were at the discretion of management:

*Operational 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 *IDEA-B Federal Stimulus Special Revenue Fund* is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

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

The *Debt Service Fund* is used to account for the accumulation of resources for the payment of Long-Term Debt principal and interest.

Additionally, the District reports the following agency fund:

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

**STATE OF NEW MEXICO**  
**LOS LUNAS 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)*

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as Title I, IDEA-B, and Magnet school funding to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources such as SB-9 and HB-33 funding to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

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

**Cash and Temporary 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:** Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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 Valencia County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Valencia County Treasurer in July and August 2010 is considered 'measurable and available' and, accordingly, is recorded as revenue 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.

**STATE OF NEW MEXICO**  
**LOS LUNAS 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)*

**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 State Department of Education receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of material listed in the State Board of Education 'State Adopted Instructional Material' list, while the other fifty percent of each allocation is available for purchases directly from vendors, for which the school district receives cash draw-downs, or transfer to the seventy percent account for requisition of material from the adopted list.

**Inventory:** Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General Fund consists of expendable supplies held for consumption. 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 an expenditure 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 and deferred revenue. 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. No deferred revenue was recorded for unused commodity inventory as of June 30, 2011. Inventories in the Transportation Fund consisted of related supplies.

**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 per Section 12-6-10 NMSA 1978, 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. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. However, infrastructure assets have not been included in the June 30, 2011 financial statements of Los Lunas School District, since the District did not own any infrastructure assets as of June 30, 2011. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. The District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2011.

Capital expenditures made on the District's building construction projects by the NM Public School Facilities Authority have been recorded as a revenue and expenditure in the fund financial statements, and have been included as capital assets in the District's government-wide financial statements.

**STATE OF NEW MEXICO**  
**LOS LUNAS 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)*

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

Buildings/building improvements	20-40 years
Furniture and equipment	3-7 years

**Deferred Revenues:** The District recognizes grant revenue 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:** Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of 12 days to 20 days per year, depending on length of service, the employee’s hire date and the employee’s employment status (administrator or classified). All earned vacation must be taken within one year after it is earned. Upon termination, employees will be paid for up to twenty days of accrued annual leave.

Qualified employees are entitled to accumulate sick leave according to a graduated leave schedule of 10 days to 14 days per year, depending on the employee’s annual contract length. There is no limit to the amount of sick leave an employee may accumulate. Employees with a minimum of twelve years of service with the Los Lunas School District are eligible for the following compensation upon official retirement from the District through the New Mexico Educational Retirement Board:

1. Eligible employees will receive 10% of the average daily rate stated in the final employment contract for all unused sick leave earned on June 30 of the year prior to the last year of service up to a maximum of 700 hours; and
2. Eligible employees will receive 100% of the average daily rate stated in the final employment contract for all unused sick leave earned in the final school year of employment up to a maximum of 49 hours.

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

**Long-term Obligations:** In the government-wide fund 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.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**STATE OF NEW MEXICO**  
**LOS LUNAS 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)*

**Net Assets or Fund Equity:** Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of which is presented in Note 19.

In the government-wide financial statements, fund equity is classified as net assets and is displayed in three components:

*Invested in capital assets, net of related debt:* Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted Net Assets:* Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net assets are restricted for “debt service or capital projects.”

*Unrestricted Net Assets:* All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The Government-wide Statement of Net Assets reports \$14,627,699 of restricted net assets of which \$8,380,077 is restricted by enabling legislation.

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.

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

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

**Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates affecting the District’s financial statements include management’s estimate of the useful lives of capital assets.

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

*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 cost.

A school district’s program costs are determined through the use of various formulas using ‘program units’ which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$54,106,283 in state equalization guarantee distributions during the year ended June 30, 2011.

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency.

The District records only the portion of the taxes considered to be ‘measurable’ and ‘available’. The District recognized \$9,593,433 in tax revenues 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.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1<sup>st</sup> of each year to be paid in whole or in two installments by November 10<sup>th</sup> and April 10<sup>th</sup> of each year. Valencia County collects County, City and School taxes and distributes them to each fund once per month except in June when the taxes are distributed twice to close out the fiscal year.

**Transportation Distribution:** School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$2,413,868 in transportation distributions during the year ended June 30, 2011.

**Instructional Materials:** The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education “State Adopted Instructional Material” list, while the other fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2011 totaled \$339,206.

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

*E. Revenue - (continued)*

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

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

1. A critical need exists requiring action;
2. The residents of the school districts have provided all available resources to the district to meet its capital outlay requirements;
3. The school district has used its resources in a prudent manner;
4. The District is in a county or counties which have participated in the reappraisal program and the reappraised values are on the tax rolls, or will be used for the tax year 1979 as certified by the property tax division; and
5. The school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978.

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

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

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

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

The District also receives reimbursement under the National School Lunch and Breakfast Programs for its food services operations, and the distributions of commodities through the New Mexico Human Services Department.

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

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

*Budgetary Information*

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

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

Actual expenditures may not exceed the budget 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:

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
5. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
6. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.
7. Legal budget control for expenditures is by function.

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 2. Stewardship, Compliance and Accountability - (Continued)**

*Budgetary Information - (continued)*

8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of Los Lunas Schools has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
9. 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.
10. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a Governmental Agency from exceeding an individual function.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

**NOTE 3. Cash and Cash Equivalents**

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

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 \$100,000 in aggregate and separate from the \$100,000 coverage for public unit demand deposits at the same institution. This coverage has increased to \$250,000 for time and savings deposits as well as demand deposits until December 31, 2013. Additionally, until December 31, 2012, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) at participating institutions are fully guaranteed, regardless of dollar amount.

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 3. Cash and Cash Equivalents - (Continued)**

**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 Schools 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.

	1 <sup>st</sup> Community Bank	Wells Fargo Bank	Total
Total amounts of deposits	\$ 17,228,004	\$ 1,010,209	\$ 18,238,213
FDIC coverage	<u>(11,391,979)</u>	<u>(250,000)</u>	<u>(11,641,979)</u>
Total uninsured public funds	<u>\$ 5,836,028</u>	<u>\$ 760,209</u>	<u>\$ 6,596,234</u>
 Pledged collateral held by pledging bank's trust department or agent but not in agency's name	 <u>6,375,662</u>	 <u>1,158,567</u>	 <u>7,534,229</u>
 Uninsured and uncollateralized	 —	 —	 —
 Collateral requirement (50% of uninsured public funds)	 \$ 2,918,013	 \$ 380,104	 \$ 3,298,117
Pledged security	<u>6,375,662</u>	<u>1,158,567</u>	<u>7,534,229</u>
Total under (over) collateralized	<u>\$ (3,457,649)</u>	<u>\$ (778,463)</u>	<u>\$ (4,236,112)</u>

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2011, \$6,596,234 of the District's bank balance of \$18,238,213 was exposed to custodial credit risk as the amount was uninsured and the collateral was held by the pledging bank's trust department, not in the District's name and \$0 was uninsured and uncollateralized. At June 30, 2011, the carrying amount of these deposits was \$16,954,680.

**Reconciliation of Cash and Cash Equivalents**

Governmental Funds – Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 16,466,506
Statement of Fiduciary Net Assets – cash per Exhibit D-1	<u>491,404</u>
	16,957,910
Add outstanding checks and other reconciling items	<u>1,283,533</u>
	18,241,443
Less petty cash	<u>(3,230)</u>
Bank balance of deposits and repurchase agreements	<u>\$ 18,238,213</u>

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**LOS LUNAS SCHOOLS**  
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**NOTE 4. Receivables**

Receivables as of June 30, 2011, are as follows:

	<u>General</u>	<u>IDEA-B Federal Stimulus</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Property taxes	\$ 41,526	\$ —	\$ 1,177,128	\$ 717,414	\$ 1,936,068
Intergovernmental					
– Grants	35,725	1,056,938	—	2,733,922	3,826,585
Other	<u>—</u>	<u>—</u>	<u>—</u>	<u>149,696</u>	<u>149,696</u>
Totals	<u>\$ 77,251</u>	<u>\$ 1,056,938</u>	<u>\$ 1,177,128</u>	<u>\$ 3,601,032</u>	<u>\$ 5,912,349</u>

The above receivables are deemed 100% collectible. In accordance with GASB #33, property tax receivables are presented net of deferred revenues in the amount of \$1,747,454 on the governmental fund financial statements.

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

Net operating transfers, which were made to close out funds and to supplement grants were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>Governmental Funds:</b>		
Operational	\$ —	\$ 87,957
2008 Library Book Fund	26,211	—
Special Capital Outlay – State	<u>—</u>	<u>26,211</u>
Subtotal, Governmental Funds	26,211	114,177
 Fiduciary Funds	 <u>87,957</u>	 <u>—</u>
 Total	 <u>\$ 114,177</u>	 <u>\$ 114,177</u>

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances as of June 30, 2011 is as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Governmental Activities:</b>		
<b>Major Funds:</b>		
General	\$ 3,441,812	\$ —
IDEA-B Entitlement – Federal Stimulus	—	964,572
 <b>Nonmajor Funds:</b>		
Special Revenue	<u>—</u>	<u>2,477,240</u>
 Total Governmental Activities	 <u>\$ 3,441,812</u>	 <u>\$ 3,441,812</u>

**STATE OF NEW MEXICO**  
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**NOTE 6. 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.

	Balance June 30, 2010	Additions	Deletions	Adjustments	Balance June 30, 2011
Capital Assets not being depreciated					
Land	\$ 2,158,964	\$ 22,416	\$ —	\$ —	\$ 2,181,380
Construction in progress	4,059,514	108,369	—	(28,374)	4,139,509
Capital Assets used in Governmental Activities					
Land improvements	8,931,029	228,418	—	—	9,159,447
Building and building improvements	143,042,668	4,426,738	94,034	28,374	147,403,746
Furniture, fixtures & equipment	5,290,260	131,413	439,215	—	4,982,458
Vehicles	7,226,758	285,364	11,000	—	7,501,122
Total Capital Assets, being depreciated	<u>164,490,715</u>	<u>5,071,933</u>	<u>544,249</u>	<u>—</u>	<u>169,046,773</u>
Less Accumulated Depreciation for:					
Land improvements	3,065,384	388,307	—	—	3,453,691
Building and building improvements	38,962,005	3,278,562	27,512	—	42,213,055
Furniture, fixtures & equipment	4,647,971	333,235	27,595	—	4,953,611
Vehicles	4,614,338	564,891	7,500	—	5,171,729
Total Accumulated Depreciation	<u>51,289,698</u>	<u>4,564,998</u>	<u>62,607</u>	<u>—</u>	<u>55,792,086</u>
Total Capital Assets, being depreciated	<u>113,201,017</u>	<u>506,938</u>	<u>481,640</u>	<u>—</u>	<u>113,254,687</u>
Governmental activities capital assets, net:	<u>\$ 119,419,495</u>	<u>\$ 637,723</u>	<u>\$ 481,640</u>	<u>\$ —</u>	<u>\$ 119,575,576</u>

Capital assets, net of accumulated depreciation, at June 30, 2011 appear in the Statement of Net Assets and/or the Fund Statements Balance Sheets as follows: Governmental activities \$119,575,576.

Depreciation expense for the year ended June 30, 2011 was charged to governmental activities as follows:

Instruction	\$ 220,616
Support Services - Students	4,624
Support Services - Instruction	8,301
Support Services – General Admin	942
Support Services – School Admin	12,030
Fiscal Services	10,962
Purchasing, Warehousing, & Distribution	982
Personnel Services	1,031
Technology – District Wide	270,707
Operations & Maintenance of Plant	52,918
Security	43,443
Transportation	483,494
Food Services	59,371
Capital Outlay	<u>3,395,574</u>
	<u>\$ 4,564,998</u>

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 7. Long-term Debt**

During the year ended June 30, 2011, the following changes occurred in the liabilities reported in the government-wide statement of net assets:

	Balance <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2011</u>	Due Within <u>One Year</u>
General Obligation Bonds	\$ 41,705,000	\$ 9,175,000	\$ 8,265,000	\$ 42,615,000	\$ 4,315,000
Compensated Absences	<u>695,827</u>	<u>589,797</u>	<u>599,091</u>	<u>686,533</u>	<u>514,915</u>
Total	<u>\$ 42,400,827</u>	<u>\$ 9,764,797</u>	<u>\$ 8,864,091</u>	<u>\$ 43,301,533</u>	<u>\$ 4,829,915</u>

The District's general obligation bonds were issued for the purposes of creating, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds and are payable solely from general property taxes that are levied against all taxable property in the District. The bonds are payable out of the Debt Service Fund (Fund 41000). Interest payments are due semi-annually on July 15 and January 15. Interest rates on the bonds range from 2.45 % to 6.00%. Principal payments in varying amounts are due annually on August 1 or August 15 through 2026.

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

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2012	4,315,000	1,451,868	5,766,868
2013	4,230,000	1,284,411	5,514,411
2014	4,380,000	1,138,930	5,518,930
2015	4,220,000	988,180	5,208,180
2016	3,550,000	853,068	4,403,068
2017-2021	17,100,000	2,428,318	19,528,319
2022-2026	<u>4,820,000</u>	<u>173,981</u>	<u>4,993,981</u>
Totals	<u>\$ 42,615,000</u>	<u>\$ 8,318,756</u>	<u>\$ 50,933,756</u>

In prior years, the general fund was typically used to liquidate long-term liabilities other than debt.

Advanced Refunding – On November 30, 2010, the District issued \$9,175,000 in General Obligation School Building and Refunding Bonds with an interest rate of 2.00 -3.00% to advance refund \$4,225,000 of outstanding Series 2000 and 2001 General Obligation Bonds with interest rates of 3.65-6.00%. As a result, the 2000 and 2001 Series bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide financial statements. The District advance refunded the 2000 and 2001 Series bonds to reduce its total debt service payments over the next four years by almost \$680,000 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$240,695.

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2011, compensated absences decreased \$9,294 over the prior year accrual. See Note 1 for more details

Operating Leases – The District leases office equipment and storage units under short-term cancelable operating leases. Rental cost for the year ended June 30, 2011 was \$270,302.

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**NOTE 8. Risk Management**

The District is a member of the New Mexico Public Schools 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 Security, which includes 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 9. Other Required Individual Fund Disclosures**

Generally accepted accounting principles require disclosures as part of the Combined Statements of certain information concerning individual funds including:

- A. Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2011:

**Nonmajor Funds:**

Comprehensive School Reform	1
Dual Credit Instructional Materials	2,743
Library GO Bonds 2009-2010	<u>9,095</u>
Total	<u>\$ 11,839</u>

These deficits are expected to be funded by additional grant funds.

- B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2011:

**Nonmajor Funds:**

Kindergarten Three Plus – Instructional	<u>\$ 524</u>
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<b>Total All Funds</b>	<u>\$ 524</u>
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**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
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**NOTE 10. Pension Plan – Educational Retirement Board**

*Plan Description.* Substantially all of Los Lunas 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, New Mexico 87502. The report is also available on ERB's website at [www.nmerb.org](http://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. Los Lunas 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. Los Lunas 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 \$4,619,247, \$5,022,185, and \$5,379,560, respectively, which equal the amount of the required contributions for each fiscal year.

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

*Plan Description.* Los Lunas 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.

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**LOS LUNAS SCHOOLS**  
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JUNE 30, 2011

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 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. Los Lunas School’s contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were \$679,808, \$577,671 and \$600,200, respectively, which equal the required contributions for each year.

**NOTE 12. Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Schools 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 13. Budgeted Activity Funds**

The Student Activity Funds, while budgeted under Non-Instructional Support in the financial statements, are considered for reporting purposes as agency funds and the related activity has been reported as such in the Statement of Changes in Assets and Liabilities – All Agency Funds section of the financial statements.

**STATE OF NEW MEXICO**  
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NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 14. Joint Powers Agreements**

The New Mexico Public School Capital Outlay Council (PSCOC) through its Public School Facilities Authority (PSFA) and Los Lunas Schools are in agreement to cooperate to complete the public school capital outlay projects and to correct existing health and safety deficiencies that have been identified, verified, prioritized. The responsible party is the PSCOC. This agreement was extended as of October 2010 and will continue indefinitely.

**NOTE 15. Commitments**

Los Lunas Schools contracts with outside vendors for construction and renovation of various facilities. At June 30, 2011, contracts outstanding for capital projects totaled \$39,870.

**NOTE 16. Related Party Transactions**

During the year ended June 30, 2011, Los Lunas Schools contracted services from related parties. Expenditures related to the vendors totaled \$80,097, which included \$50,084 paid to Holiday Fencing for fencing services.

**NOTE 17. Subsequent Events**

On October 19, 2011 the Los Lunas School District issued a General Obligation School Building and Refunding Bond, Series 2011, in the amount of \$15,795,000. The interest rates on the bond range from 2.00%-3.00% and principal payments are due beginning in Fiscal year 2012 through 2025.

**NOTE 18. Subsequent Accounting Standard Pronouncements**

In December 2009, the GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plan*, which is effective for financial statement periods beginning after June 15, 2011. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers).

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, which is effective for financial statement periods beginning after June 15, 2012. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity and amends the criteria for reporting component units as if they were part of the primary government in certain circumstances.

In December of 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which is effective for financial statements for periods beginning after December 15, 2011. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

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**LOS LUNAS SCHOOLS**  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 18. Subsequent Accounting Standard Pronouncements (continued)**

1. Financial Accounting Standards Board (FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure.

The requirements in this Statement will improve financial reporting by contributing to the GASB's efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source.

**NOTE 19. Governmental Fund Balance**

**Fund Balance:** In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications.

In the governmental financial statements, fund balance is classified and is displayed in five components:

*Nonspendable:* Consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted:* Consists of amounts that are restricted to specific purposes as a result of a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed:* Consist of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

*Assigned:* Consist of amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

*Unassigned:* Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Detail relating to the fund balance classifications is displayed below:

STATE OF NEW MEXICO  
LOS LUNAS SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 19. Fund Balance (continued)**

	General Fund						Total
	General Fund	Transportation Fund	Instructional Materials Fund	Debt Service Fund	Bond Building Fund	Other Funds	
<b>Fund Balances:</b>							
<b>Nonspendable:</b>							
Inventory	\$ -	\$ 29,235	\$ -	\$ -	\$ -	\$ 221,929	\$ 251,164
<b>Restricted for:</b>							
Education	-	-	-	-	-	1,682,259	1,682,259
Debt service	-	-	-	5,411,209	-	-	5,411,209
School construction	-	-	-	-	6,052,090	1,681,944	7,734,034
Instructional materials	-	-	351,678	-	-	-	351,678
<b>Assigned to:</b>							
Debt service	-	-	-	-	-	-	-
Other capital projects	-	-	-	-	-	-	-
Other purposes	99,891	-	-	-	-	481,805	581,696
<b>Unassigned:</b>							
	399,742	(6,743)	-	-	-	-	392,999
Total fund balances	<u>\$ 499,633</u>	<u>\$ 22,492</u>	<u>\$ 351,678</u>	<u>\$ 5,411,209</u>	<u>\$ 6,052,090</u>	<u>\$ 4,067,937</u>	<u>\$ 16,405,039</u>

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**SUPPLEMENTARY INFORMATION**

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**NONMAJOR GOVERNMENTAL FUNDS**

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**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2011**

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 1,999,224	\$ 1,589,374	\$ 3,588,598
Accounts receivable			
Taxes	-	717,414	717,414
Due from other governments	2,733,922	-	2,733,922
Interfund receivables	-	-	-
Other	90,611	59,085	149,696
Inventory	221,929	-	221,929
<i>Total assets</i>	<u>5,045,686</u>	<u>2,365,873</u>	<u>7,411,559</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities:</i>			
Accounts payable	33,133	37,886	71,019
Accrued payroll liabilities	114,087	-	114,087
Accrued compensated absences	-	-	-
Interfund payables	2,477,240	-	2,477,240
Deferred revenue - property taxes	-	646,043	646,043
Deferred revenue - other	35,233	-	35,233
<i>Total liabilities</i>	<u>2,659,693</u>	<u>683,929</u>	<u>3,343,622</u>
<i>Fund balances</i>			
Fund Balance:			
Nonspendable	221,929	-	221,929
Restricted for:			
Special Revenue	1,682,259	-	1,682,259
Capital Projects	-	1,681,944	1,681,944
Assigned	481,805	-	481,805
Unassigned	-	-	-
<i>Total fund balance</i>	<u>2,385,993</u>	<u>1,681,944</u>	<u>4,067,937</u>
<i>Total liabilities and fund balance</i>	<u>\$ 5,045,686</u>	<u>\$ 2,365,873</u>	<u>\$ 7,411,559</u>

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

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## STATE OF NEW MEXICO

Statement A-2

## LOS LUNAS SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDING JUNE 30, 2011

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
<i>Revenues:</i>			
Property taxes	\$ -	\$ 3,449,033	\$ 3,449,033
State grants	730,376	260,377	990,753
Federal grants	13,045,574	-	13,045,574
Miscellaneous	770,224	-	770,224
Interest	520	2,442	2,962
<i>Total revenues</i>	<u>14,546,694</u>	<u>3,711,852</u>	<u>18,258,546</u>
<i>Expenditures:</i>			
Current:			
Instruction	6,874,272	-	6,874,272
Support Services			
Students	935,798	-	935,798
Instruction	156,938	-	156,938
General Administration	308,279	30,917	339,196
School Administration	1,003,704	-	1,003,704
Central Services	6,276	-	6,276
Operation & Maintenance of Plant	575,309	-	575,309
Student Transportation	42,424	-	42,424
Other Support Services	-	-	-
Food Services Operations	4,083,525	-	4,083,525
Community Service	-	-	-
Capital outlay	300,000	4,393,087	4,693,087
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>14,286,525</u>	<u>4,424,004</u>	<u>18,710,529</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>260,169</u>	<u>(712,152)</u>	<u>(451,983)</u>
<i>Other financing sources (uses):</i>			
Operating transfers	26,211	(26,211)	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>26,211</u>	<u>(26,211)</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>286,380</u>	<u>(738,363)</u>	<u>(451,983)</u>
<i>Fund balances - beginning of year</i>	<u>2,099,613</u>	<u>2,420,307</u>	<u>4,519,920</u>
<i>Fund balances - end of year</i>	<u>\$ 2,385,993</u>	<u>\$ 1,681,944</u>	<u>\$ 4,067,937</u>

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

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**SPECIAL REVENUE FUNDS**

## SPECIAL REVENUE FUNDS (Continued)

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 (21000)** – This fund is used to account for the cost of operating a student breakfast, lunch, snack bar and summer lunch program and is financed with federal grants and fees paid by program users

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

**Non-Instruction Ed. Support (23000)** – To account for budgeted revenues and expenditures which relate to student activities other than athletics.

**Title I (24101 – IASA and 24162 – School Improvement)** – The major objectives of the Title I program are to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

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

**Preschool IDEA-B (24109) Federal Stimulus (24209)** – 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.

**Education of Homeless (24113) and Education of Homeless Federal Stimulus (24213)** – To ensure that homeless children and youth have equal access to the same free, appropriate public education as other children; to provide activities for and services to ensure that these children enroll in, attend, and achieve success in school; to establish or designate an office in each State educational agency (SEA) for the coordination of education for homeless children and youth; to develop and implement programs for school personnel to heighten awareness of specific problems of homeless children and youth; and to provide grants to local educational agencies (LEAs). Authorized by McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B.

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

**21<sup>st</sup> Century Community Living Centers (24119)** – To account for federal funds utilized to expand an after school, weekend and summer program. The program is designed to integrate the visual and performing arts with literacy, life skills and physical activity for kindergarten to 12<sup>th</sup> grade focusing on the neighborhood and the community as a classroom.

**Title I 1003g Grant (24124)** – To account for funds administered through the State Public Education Office to assist schools identified for improvement, corrective actions, and restructuring.

**Technology Literacy Challenge (24133)** – To account for a federal grant designed to strengthen teacher learning in the field of technology.

## SPECIAL REVENUE FUNDS (Continued)

**Comprehensive School Reform (24135)** – To stimulate school-wide changes in schools that need to substantially improve student academics, particularly Title I schools, so that students in these schools can meet state content and performance standards. Funding authority is the State of New Mexico Department of Education.

**ELL Title III – Incentive awards (24143)** – This program insures that English language learners including immigrant children and youth develop English proficiency and meet the same academic content and achievement standards that all students are expected to meet.

**English Language Acquisition (24153)** – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards.

**Teacher / Principal Training & Recruiting (24154)** – To improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students.

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

**Immigrant Funding Title III (24163)** – To account for funding for English Language Learners and, specifically, for those who are recent immigrants to the United States.

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

**Carl D. Perkins Redistribution (24176)** - Funds for Project Lead the way Engineering these were funds that were left over by other districts for the normal 24174 PLTW funds they unused and then were redistributed to be used in a short period of time to be used for Professional development for PLTW teachers, materials to encourage getting students interested in Engineering, etc.

**Title I Federal Stimulus (24201)** – to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criterion that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383..

**NM Building Blocks (EETT ARRA 24249)** - Funds used to Enhance Education through Technology meant to purchase Professional Development for teachers, to purchase technology equipment for school sites.

**Billed/Comp School Grants USDE (25109)** – To develop school wide programs for limited English proficient students that reform, restructure, and upgrade all relevant and operations within an individual school that has a concentration of limited English proficient students. Elementary and Secondary Education Act of 1965, as amended, Title VII, Part A, Subpart I.

**Impact Aid (25145 - Special Education and 25147 - Indian Education)** – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

## SPECIAL REVENUE FUNDS (Continued)

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

**Child Care Block Grant CYFD (25157)** – To account for funds received for the transition assistance program funding through the Children, Youth and Families Department and the State of New Mexico.

**Indian Education Formula Grant (25184)** – To account for a program funded by a Federal grant to develop and carry out supplementary elementary and secondary school programs designed to meet the special educational and culturally related academic needs of Indian children, for example to: 1) Improve academic performance, 2) Reduce school dropout rates and improve attendance, and 3) Integrate the value of cultural education into the school curriculum for Indian children. Funding authorized by Indian Education Act of 1988, Title V, Part C, Subpart 1, as amended, Public Law 100-297 and 93-638, 25 U.S.C. 2601-2606.

**Gear Up USDE (25211)** –To encourage eligible entities to provide or maintain a guarantee to eligible low-income students who obtain a secondary diploma, of the financial assistance necessary to permit the student to attend an institution of higher education; and provide additional support services to students who are at risk of dropping out of school. Higher Education act, Title IV, Part A, Subpart 2, Chapter 2, Public Law 105-244.

**Smaller Learning Communities (25217)** - To conduct nationally significant programs to improve the quality of education, assist all students to meet challenging State content standards, and contribute to the achievement of the National Education Goals. Elementary and Secondary Education Act of 1965; Title X, Part A, as amended, 20 U.S.C. 8001-8007.

**Federal Equalization Stabilization (ARRA 25250)** – Purpose is to help the operational funding to help stimulate the economy.

**Education Jobs Fund Federal Stimulus (25255)** – A federal program that provided assistance to states to save or create education jobs for the 2010-2011 school year.

**Dual Credit Instructional Materials (27103)** – To purchase college textbooks for students who dual enroll in college credited courses while still attending high school.

**2008 GO Bond Library Fund (27105)** – Funds used to purchase library books and library supplies for all school sites.

**ARRA Solar Energy at Schools (27110)** – Stimulus allocations for the development of a 50 kilowatt (KW) photovoltaic (PV) solar energy system for Los Lunas Schools.

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

**Incentives for School Improvement Act (27138)** – To account for monies received from the Award for High Improving Schools provided by the State of New Mexico for the purpose of identifying special needs at awarded locations and to purchase items to improve those schools.

**State School Improvement (27143)** – Funds allocated to school sites who are not making AYP for several years and used to purchase materials or salaries to help correct problems in the school site.

**Pre K Initiative (27149)** – To account for monies received from the State of New Mexico to be used to provide direct services to 20 4 year old children in Pre-Kindergarten program s at Mariposa Elem., and Tome Elem.

**Indian Education Act (27150)** – To account for funds to help support the educational reform initiatives outlined in the schools' Educational Plan for Student Success (EPSS). The grant expenditures must support how the identified EPSS focus areas/ activities/ strategies will be deployed for addressing the needs of American Indian students to ensure improved academic performance and closing of the achievement gap.

**Beginning Teacher Mentoring Program (27154)** – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve

## SPECIAL REVENUE FUNDS (Continued)

the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

**Breakfast for Elementary Students (27155)** – The 2005 Legislative General Appropriations Act allocated \$475,000 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation.

**Schools in Need of Improvement (27163)** – To provide funds for Desert View Elementary for a module based math program.

**Legislative Appropriations of 2007 (27165)** – To provide funds for college readiness and high school redesign initiative.

**Kindergarten - Three Plus (27166)** – the funding is part of a pilot project for Kindergarten through third grade students at both Ann Parish Elementary and Desert View Elementary. Funds used for teachers, educational assistants, nurses, an academic coach, and PE coach at both schools.

**Libraries SB301 GO Bonds (27170)** – In the November 2004 election, New Mexico voters approved GO bond C for \$6,156,000 to fund public school and juvenile detention libraries statewide. Statute specifies that the funds are available to acquire library books, equipment and library resources for public schools and juvenile detention libraries.

**Band Uniforms for Valencia High School (27547)** – funding for students and families to participate in music and band programs at Valencia High School through the purchase of band uniforms.

**Library Book Fund (27549)** – Funds for the purpose of purchasing library books for all school sites.

**Office of Cultural Affairs (28177)** – to account for monies received from the State of New Mexico to be used for preserving and promoting New Mexico's culture.

**GEAR UP CHE (28178)** – (Gaining Early Awareness and Readiness for Undergraduate Programs.) The purpose of this grant is to increase the number of low-income students who upon graduation from high school have the skills and knowledge to succeed in college.

**GRADS Child Care (28189)** – To provide grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193.

**GRADS-Instructional (28190)** - To account for an agreement to provide child care services in conjunction with the Graduation, Reality and Dual Role Skills Program. Funding is provided by State of New Mexico Children Youth and Families Department.

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Food Service 21000	Athletics 22000	Non-Instructional Support 23000	Title I IASA 24101
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 651,787	\$ 32,337	\$ 88,590	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	121,271	-	-	391,268
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	221,929	-	-	-
<i>Total assets</i>	<u>994,987</u>	<u>32,337</u>	<u>88,590</u>	<u>391,268</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	11,965	-	-	16,447
Accrued payroll liabilities	16,311	-	1,233	4,727
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	-	370,094
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>28,276</u>	<u>-</u>	<u>1,233</u>	<u>391,268</u>
<i>Fund Balance:</i>				
Fund Balance:				
Nospendable	221,929	-	-	-
Restricted for:				
Special Revenue	296,684	26,102	59,885	-
Capital Projects	-	-	-	-
Assigned	448,098	6,235	27,472	-
Unassigned	-	-	-	-
<i>Total fund balance</i>	<u>966,711</u>	<u>32,337</u>	<u>87,357</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 994,987</u>	<u>\$ 32,337</u>	<u>\$ 88,590</u>	<u>\$ 391,268</u>

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

Entitlement IDEA-B 24106	Preschool IDEA-B 24109	Education of Homeless 24113	Fresh Fruits & Vegetables 24118	21st Century Community Learning Centers 24119	IDEA-B "Risk Pool" 24120
\$ -	\$ -	\$ -	\$ 9,842	\$ -	\$ -
-	-	-	-	-	-
513,025	27,949	14,579	10,230	64,740	6,993
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>513,025</u>	<u>27,949</u>	<u>14,579</u>	<u>20,072</u>	<u>64,740</u>	<u>6,993</u>
595	-	-	-	-	-
13,970	-	-	-	25,207	-
-	-	-	-	-	-
498,460	27,949	14,579	-	39,533	6,993
-	-	-	-	-	-
-	-	-	20,072	-	-
<u>513,025</u>	<u>27,949</u>	<u>14,579</u>	<u>20,072</u>	<u>64,740</u>	<u>6,993</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 513,025</u>	<u>\$ 27,949</u>	<u>\$ 14,579</u>	<u>\$ 20,072</u>	<u>\$ 64,740</u>	<u>\$ 6,993</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Title I 1003g Grant 24124	Enhancing Ed Thru Tech (E2T2-F) 24133	Comprehensive School Reform 24135	ELL Title III Incentive Awards 24143
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	6,912	21,930	5,597
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>6,912</u>	<u>21,930</u>	<u>5,597</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	6,912	21,931	5,597
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>6,912</u>	<u>21,931</u>	<u>5,597</u>
<i>Fund Balance:</i>				
Fund Balance:				
Nospendable	-	-	-	-
Restricted for:				
Special Revenue	-	-	(1)	-
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 6,912</u>	<u>\$ 21,930</u>	<u>\$ 5,597</u>

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

English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Safe & Drug Free Schools & Community 24157	Title I School Improvement 24162	Immigrant Funding Title III 24163	Carl D Perkins Secondary Current 24174
\$ -	\$ -	\$ 206	\$ -	\$ -	\$ -
-	-	-	-	-	-
65,490	120,328	-	31,927	26,026	29,605
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>65,490</u>	<u>120,328</u>	<u>206</u>	<u>31,927</u>	<u>26,026</u>	<u>29,605</u>
2,250	-	-	-	-	-
-	-	-	445	-	-
-	-	-	-	-	-
63,240	120,223	-	31,482	26,026	29,605
-	-	-	-	-	-
-	105	206	-	-	-
<u>65,490</u>	<u>120,328</u>	<u>206</u>	<u>31,927</u>	<u>26,026</u>	<u>29,605</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 65,490</u>	<u>\$ 120,328</u>	<u>\$ 206</u>	<u>\$ 31,927</u>	<u>\$ 26,026</u>	<u>\$ 29,605</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Carl D Perkins Secondary Redistribution 24176	Title I IASA Federal Stimulus 24201	Preschool IDEA-B Federal Stimulus 24209	Education of Homeless Federal Stimulus 24213
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	136,554	20,962	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>136,554</u>	<u>20,962</u>	<u>-</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	1,876	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	134,678	20,962	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>136,554</u>	<u>20,962</u>	<u>-</u>
<i>Fund Balance:</i>				
Fund Balance:				
Nospendable	-	-	-	-
Restricted for:				
Special Revenue	-	-	-	-
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 136,554</u>	<u>\$ 20,962</u>	<u>\$ -</u>

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

Enhancing Educ Through Tech Federal Stimulus 24249	Billed/Comp School Grants USDE 25109	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	Title XIX Medicaid 3/21 Years 25153	Child Care Block Grant CYFD 25157
\$ -	\$ -	\$ 103,973	\$ 28,473	\$ 986,796	\$ 2,054
-	-	-	-	-	-
18,553	-	-	-	-	6,398
-	-	-	-	-	-
-	-	-	-	90,611	-
-	-	-	-	-	-
<u>18,553</u>	<u>-</u>	<u>103,973</u>	<u>28,473</u>	<u>1,077,407</u>	<u>8,452</u>
-	-	-	-	-	-
-	-	2,656	-	2,751	-
-	-	-	-	-	-
18,553	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	8,452
<u>18,553</u>	<u>-</u>	<u>2,656</u>	<u>-</u>	<u>2,751</u>	<u>8,452</u>
-	-	-	-	-	-
-	-	101,317	28,473	1,074,656	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>101,317</u>	<u>28,473</u>	<u>1,074,656</u>	<u>-</u>
<u>\$ 18,553</u>	<u>\$ -</u>	<u>\$ 103,973</u>	<u>\$ 28,473</u>	<u>\$ 1,077,407</u>	<u>\$ 8,452</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Indian Ed Formula Grant 25184	GEAR UP USDE 25211	Smaller Learning Communities 25217	State Equalization Guarantee Stimulus 25250
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	\$ 6,398	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	9,824	-	95,767	122,105
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>9,824</u>	<u>6,398</u>	<u>95,767</u>	<u>122,105</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	18,111	-
Accrued compensated absences	-	-	-	-
Interfund payables	9,824	-	77,656	122,105
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	6,398	-	-
<i>Total liabilities</i>	<u>9,824</u>	<u>6,398</u>	<u>95,767</u>	<u>122,105</u>
<i>Fund Balance:</i>				
Fund Balance:				
Nospendable	-	-	-	-
Restricted for:				
Special Revenue	-	-	-	-
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 9,824</u>	<u>\$ 6,398</u>	<u>\$ 95,767</u>	<u>\$ 122,105</u>

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

Education Jobs Fund Federal Stimulus 25255	Dual Credit Instructional Materials 27103	Library GO bonds 2009-2010 27105	ARRA Solar Energy Grant 27110	Technology for Education PED 27117	Incentives for School Impr Act PED 27138
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,434
-	-	-	-	-	-
595,185	-	13,830	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>595,185</u>	<u>-</u>	<u>13,830</u>	<u>-</u>	<u>-</u>	<u>37,434</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
595,185	2,743	22,925	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>595,185</u>	<u>2,743</u>	<u>22,925</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	(2,743)	(9,095)	-	-	37,434
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>(2,743)</u>	<u>(9,095)</u>	<u>-</u>	<u>-</u>	<u>37,434</u>
\$ 595,185	\$ -	\$ 13,830	\$ -	\$ -	\$ 37,434

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	State School Imp Program PED 27143	PreK Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ 50	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	19,661	8,159	-	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
	<u>19,661</u>	<u>8,159</u>	<u>50</u>	<u>-</u>
<i>Total assets</i>	<u>19,661</u>	<u>8,159</u>	<u>50</u>	<u>-</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	19,661	8,159	-	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
	<u>19,661</u>	<u>8,159</u>	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u>19,661</u>	<u>8,159</u>	<u>-</u>	<u>-</u>
<i>Fund Balance:</i>				
Fund Balance:				
Nospendable	-	-	-	-
Restricted for:				
Special Revenue	-	-	50	-
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>50</u>	<u>-</u>
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>50</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 19,661</u>	<u>\$ 8,159</u>	<u>\$ 50</u>	<u>\$ -</u>

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

Breakfast for Elementary Students 27155	Schools in Need of Improvement 27163	Legislative Appropriations of 2007 27165	Kindergarten Three Plus 27166	Libraries SB301 GO Bonds 27170	Band Uniforms for Valencia High School 27547
\$ 50,975	\$ -	\$ 32	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	87,207	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>50,975</u>	<u>-</u>	<u>32</u>	<u>87,207</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	28,676	-	-
-	-	-	-	-	-
-	-	-	40,318	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	68,994	-	-
-	-	-	-	-	-
50,975	-	32	18,213	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>50,975</u>	<u>-</u>	<u>32</u>	<u>18,213</u>	<u>-</u>	<u>-</u>
<u>\$ 50,975</u>	<u>\$ -</u>	<u>\$ 32</u>	<u>\$ 87,207</u>	<u>\$ -</u>	<u>\$ -</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	2008 Library Book Fund 27549	Office of Cultural Affairs 28177	GEAR-UP CHE 28178	GRADS Child Care 28189
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 2	\$ 275	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	141,847	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>2</u>	<u>275</u>	<u>141,847</u>	<u>-</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	141,847	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>141,847</u>	<u>-</u>
<i>Fund Balance:</i>				
Fund Balance:				
Nospendable	-	-	-	-
Restricted for:				
Special Revenue	2	275	-	-
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance</i>	<u>2</u>	<u>275</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 2</u>	<u>\$ 275</u>	<u>\$ 141,847</u>	<u>\$ -</u>

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

GRADS - Instructional 28190	Total
\$ -	\$ 1,999,224
-	-
-	2,733,922
-	-
-	90,611
-	221,929
-	5,045,686
-	33,133
-	114,087
-	-
-	2,477,240
-	-
-	35,233
-	2,659,693
-	221,929
-	1,682,259
-	-
-	481,805
-	-
-	2,385,993
\$ -	\$ 5,045,686

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Food Service 21000	Athletics 22000	Non-Instructional Support 23000	Title I IASA 24101
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	3,484,433	-	-	2,021,924
Charges for services	469,154	103,140	197,930	-
Miscellaneous	-	-	-	-
Interest	350	39	131	-
<i>Total Revenues</i>	<u>3,953,937</u>	<u>103,179</u>	<u>198,061</u>	<u>2,021,924</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	101,395	229,706	1,686,782
Support Services				
Students	-	-	-	62,091
Instruction	-	-	-	-
General Administration	-	-	-	139,646
School Administration	-	-	-	133,405
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	3,891,562	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>3,891,562</u>	<u>101,395</u>	<u>229,706</u>	<u>2,021,924</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>62,375</u>	<u>1,784</u>	<u>(31,645)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>62,375</u>	<u>1,784</u>	<u>(31,645)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>904,336</u>	<u>30,553</u>	<u>119,002</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 966,711</u>	<u>\$ 32,337</u>	<u>\$ 87,357</u>	<u>\$ -</u>

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

Entitlement IDEA-B 24106	Preschool IDEA-B 24109	Education of Homeless 24113	Fresh Fruits & Vegetables 24118	21st Century Community Learning Centers 24119	IDEA-B "Risk Pool" 24120
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
1,768,746	49,420	22,473	115,330	240,303	6,993
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,768,746</u>	<u>49,420</u>	<u>22,473</u>	<u>115,330</u>	<u>240,303</u>	<u>6,993</u>
1,086,506	26,310	22,473	-	232,438	-
214,199	236	-	-	-	6,487
-	-	-	-	-	506
65,119	1,786	-	-	7,865	-
360,498	21,088	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
42,424	-	-	-	-	-
-	-	-	-	-	-
-	-	-	115,330	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,768,746</u>	<u>49,420</u>	<u>22,473</u>	<u>115,330</u>	<u>240,303</u>	<u>6,993</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Title I 1003g Grant 24124	Enhancing Ed Thru Tech (E2T2-F) 24133	Comprehensive School Reform 24135	ELL Title III Incentive Awards 24143
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	32,664	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>32,664</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	32,664	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>32,664</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	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>

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

English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Safe & Drug Free Schools & Community 24157	School Improvement Title I 24162	Immigrant Funding Title III 24163	Carl D Perkins Secondary Current 24174
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
93,342	406,357	-	1,482	-	74,018
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>93,342</u>	<u>406,357</u>	<u>-</u>	<u>1,482</u>	<u>-</u>	<u>74,018</u>
89,818	226,880	-	1,445	-	71,343
-	-	-	-	-	-
-	-	-	-	-	-
1,786	15,188	-	37	-	2,675
1,738	164,289	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>93,342</u>	<u>406,357</u>	<u>-</u>	<u>1,482</u>	<u>-</u>	<u>74,018</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Carl D Perkins Secondary Redistribution 24176	Title I IASA Federal Stimulus 24201	Preschool IDEA-B Federal Stimulus 24209	Education of Homeless Federal Stimulus 24213
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,519	618,747	58,471	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>1,519</u>	<u>618,747</u>	<u>58,471</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,519	524,311	55,833	-
Support Services				
Students	-	-	-	-
Instruction	-	43,650	525	-
General Administration	-	25,297	2,113	-
School Administration	-	25,337	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	152	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>1,519</u>	<u>618,747</u>	<u>58,471</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	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Enhancing Educ Through Tech Federal Stimulus 24249	Billed/Comp School Grants USDE 25109	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	Title XIX Medicaid 3/21 Years 25153	Child Care Block Grant CYFD 25157
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	16,889
134,106	-	148,535	53,993	919,488	36,508
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>134,106</u>	<u>-</u>	<u>148,535</u>	<u>53,993</u>	<u>919,488</u>	<u>53,397</u>
104,493	-	45,051	3,883	91,246	53,397
-	-	-	-	537,538	-
-	-	-	20,715	31,708	-
-	-	2,167	922	28,919	-
29,613	-	-	-	175,783	-
-	-	-	-	-	-
-	-	-	-	152	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>134,106</u>	<u>-</u>	<u>47,218</u>	<u>25,520</u>	<u>865,346</u>	<u>53,397</u>
-	-	101,317	28,473	54,142	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	101,317	28,473	54,142	-
-	-	-	-	1,020,514	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,317</u>	<u>\$ 28,473</u>	<u>\$ 1,074,656</u>	<u>\$ -</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Indian Ed Formula Grant 25184	GEAR UP USDE 25211	Smaller Learning Communities 25217	State Equalization Guarantee Stimulus 25250
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	65,791	-	266,678	575,005
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>65,791</u>	<u>-</u>	<u>266,678</u>	<u>575,005</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	16,397	-	77,907	-
Support Services				
Students	27,413	-	87,834	-
Instruction	19,603	-	-	-
General Administration	2,378	-	8,984	-
School Administration	-	-	91,953	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	575,005
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>65,791</u>	<u>-</u>	<u>266,678</u>	<u>575,005</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	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Education Jobs Fund Federal Stimulus 25255	Dual Credit Instructional Materials 27103	Library GO bonds 2009-2010 27105	ARRA Solar Energy Grant 27110	Technology for Education PED 27117	Incentives for School Impr Act PED 27138
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	979	40,673	-	-	-
1,549,248	-	-	300,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,549,248</u>	<u>979</u>	<u>40,673</u>	<u>300,000</u>	<u>-</u>	<u>-</u>
1,549,248	2,743	-	-	-	24,143
-	-	-	-	-	-
-	-	40,231	-	-	-
-	-	-	-	-	-
-	-	-	-	6,276	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	300,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,549,248</u>	<u>2,743</u>	<u>40,231</u>	<u>300,000</u>	<u>6,276</u>	<u>24,143</u>
-	(1,764)	442	-	(6,276)	(24,143)
-	-	-	-	-	-
-	-	-	-	-	-
-	(1,764)	442	-	(6,276)	(24,143)
-	(979)	(9,537)	-	6,276	61,577
<u>\$ -</u>	<u>\$ (2,743)</u>	<u>\$ (9,095)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,434</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	State School Imp Program PED 27143	PreK Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	73,575	-	-
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>-</u>	<u>73,575</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	70,916	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	2,659	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>-</u>	<u>73,575</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	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>50</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ -</u>

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

Breakfast for Elementary Students 27155	Schools in Need of Improvement 27163	Legislative Appropriations of 2007 27165	Kindergarten Three Plus 27166	Libraries SB301 GO Bonds 27170	Band Uniforms for Valencia High School 27547
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
76,633	-	-	188,983	22,049	19,196
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>76,633</u>	<u>-</u>	<u>-</u>	<u>188,983</u>	<u>22,049</u>	<u>19,196</u>
-	-	-	170,032	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	738	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
76,633	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>76,633</u>	<u>-</u>	<u>-</u>	<u>170,770</u>	<u>-</u>	<u>-</u>
-	-	-	18,213	22,049	19,196
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	18,213	22,049	19,196
<u>50,975</u>	<u>-</u>	<u>32</u>	<u>-</u>	<u>(22,049)</u>	<u>(19,196)</u>
<u>\$ 50,975</u>	<u>\$ -</u>	<u>\$ 32</u>	<u>\$ 18,213</u>	<u>\$ -</u>	<u>\$ -</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	2008 Library Book Fund 27549	Office of Cultural Affairs 28177	GEAR-UP CHE 28178	GRADS Child Care 28189
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	280,399	3,000
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>-</u>	<u>-</u>	<u>280,399</u>	<u>3,000</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	264,393	3,000
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total Expenditures</i>	<u>-</u>	<u>-</u>	<u>264,393</u>	<u>3,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>16,006</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	26,211	-	-	-
<i>Total other financing sources (uses)</i>	<u>26,211</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	26,211	-	16,006	-
<i>Fund balances - beginning of year</i>	<u>(26,209)</u>	<u>275</u>	<u>(16,006)</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 2</u>	<u>\$ 275</u>	<u>\$ -</u>	<u>\$ -</u>

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

GRADS - Instructional 28190	Total
\$ -	\$ -
8,000	730,376
-	13,045,574
-	770,224
-	-
-	520
<u>8,000</u>	<u>14,546,694</u>
8,000	6,874,272
-	935,798
-	156,938
-	308,279
-	1,003,704
-	6,276
-	575,309
-	42,424
-	-
-	4,083,525
-	-
-	300,000
-	-
-	-
<u>8,000</u>	<u>14,286,525</u>
-	260,169
-	26,211
<u>-</u>	<u>26,211</u>
-	286,380
<u>-</u>	<u>2,099,613</u>
<u>\$ -</u>	<u>\$ 2,385,993</u>

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

## STATE OF NEW MEXICO

Statement B-3

## LOS LUNAS 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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	3,160,000	3,160,000	3,230,653	70,653
Miscellaneous	648,000	656,257	469,154	(187,103)
Interest	-	-	350	350
<i>Total revenues</i>	<u>3,808,000</u>	<u>3,816,257</u>	<u>3,700,157</u>	<u>(116,100)</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	-	-	-	-
Food Services Operations	3,976,320	4,481,778	3,713,997	767,781
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,976,320</u>	<u>4,481,778</u>	<u>3,713,997</u>	<u>767,781</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(168,320)</u>	<u>(665,521)</u>	<u>(13,840)</u>	<u>651,681</u>
<i>Other financing sources (uses):</i>				
Designated cash	168,320	665,521	-	(665,521)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>168,320</u>	<u>665,521</u>	<u>-</u>	<u>(665,521)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(13,840)</u>	<u>(13,840)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>665,627</u>	<u>665,627</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 651,787</u>	<u>\$ 651,787</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			253,780	
Adjustments to expenditures			(177,565)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 62,375</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-4

## LOS LUNAS SCHOOLS

## ATHLETICS SPECIAL REVENUE FUND

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	75,145	75,145	103,140	27,995
Interest	-	-	39	39
<i>Total revenues</i>	<u>75,145</u>	<u>75,145</u>	<u>103,179</u>	<u>28,034</u>
<i>Expenditures:</i>				
Current:				
Instruction	75,145	105,697	101,395	4,302
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>75,145</u>	<u>105,697</u>	<u>101,395</u>	<u>4,302</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(30,552)</u>	<u>1,784</u>	<u>32,336</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	30,552	-	(30,552)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>30,552</u>	<u>-</u>	<u>(30,552)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,784</u>	<u>1,784</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>30,553</u>	<u>30,553</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,337</u>	<u>\$ 32,337</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 1,784</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-5

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	665,000	665,000	197,930	(467,070)
Interest	-	-	131	131
<i>Total revenues</i>	<u>665,000</u>	<u>665,000</u>	<u>198,061</u>	<u>(466,939)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	954,640	1,174,988	238,155	936,833
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>954,640</u>	<u>1,174,988</u>	<u>238,155</u>	<u>936,833</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(289,640)</u>	<u>(509,988)</u>	<u>(40,094)</u>	<u>469,894</u>
<i>Other financing sources (uses):</i>				
Designated cash	289,640	509,988	-	(509,988)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>289,640</u>	<u>509,988</u>	<u>-</u>	<u>(509,988)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(40,094)</u>	<u>(40,094)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>128,684</u>	<u>128,684</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,590</u>	<u>\$ 88,590</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			8,449	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (31,645)</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-6

## LOS LUNAS SCHOOLS

## TITLE I IASA SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	2,159,510	2,407,496	2,230,212	(177,284)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>2,159,510</u>	<u>2,407,496</u>	<u>2,230,212</u>	<u>(177,284)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,819,605	2,051,896	1,666,767	385,129
Support Services				
Students	67,034	68,769	62,091	6,678
Instruction	-	-	-	-
General Administration	141,456	155,153	139,646	15,507
School Administration	131,415	131,678	133,405	(1,727)
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,159,510</u>	<u>2,407,496</u>	<u>2,001,909</u>	<u>405,587</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>228,303</u>	<u>228,303</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>228,303</u>	<u>228,303</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(598,397)</u>	<u>(598,397)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (370,094)</u>	<u>\$ (370,094)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(208,288)	
Adjustments to expenditures			(20,015)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-7

## LOS LUNAS SCHOOLS

## ENTITLEMENT IDEA-B SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,964,270	2,310,705	1,770,030	(540,675)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,964,270</u>	<u>2,310,705</u>	<u>1,770,030</u>	<u>(540,675)</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,147,751	1,388,039	1,103,053	284,986
Support Services				
Students	339,836	411,882	213,604	198,278
Instruction	-	-	2,052	(2,052)
General Administration	75,600	88,122	65,119	23,003
School Administration	368,959	368,959	360,498	8,461
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	32,124	53,703	42,424	11,279
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,964,270</u>	<u>2,310,705</u>	<u>1,786,750</u>	<u>523,955</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(16,720)</u>	<u>(16,720)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(16,720)</u>	<u>(16,720)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(481,740)</u>	<u>(481,740)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (498,460)</u>	<u>\$ (498,460)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(1,284)	
Adjustments to expenditures			18,004	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>-</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-8

## LOS LUNAS SCHOOLS

## PRESCHOOL IDEA-B SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	53,549	83,304	49,671	(33,633)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>53,549</u>	<u>83,304</u>	<u>49,671</u>	<u>(33,633)</u>
<i>Expenditures:</i>				
Current:				
Instruction	25,000	53,680	26,310	27,370
Support Services				
Students	3,868	3,868	236	3,632
Instruction	-	-	-	-
General Administration	1,936	3,011	1,786	1,225
School Administration	22,745	22,745	21,088	1,657
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>53,549</u>	<u>83,304</u>	<u>49,420</u>	<u>33,884</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>251</u>	<u>251</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>251</u>	<u>251</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(28,200)</u>	<u>(28,200)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (27,949)</u>	<u>\$ (27,949)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(251)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-9

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	25,411	12,272	(13,139)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>25,411</u>	<u>12,272</u>	<u>(13,139)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	25,411	22,473	2,938
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>25,411</u>	<u>22,473</u>	<u>2,938</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(10,201)</u>	<u>(10,201)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(10,201)</u>	<u>(10,201)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,378)</u>	<u>(4,378)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,579)</u>	<u>\$ (14,579)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			10,201	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-10

FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	116,600	105,100	(11,500)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>116,600</u>	<u>105,100</u>	<u>(11,500)</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	-	-	-	-
Food Services Operations	-	116,600	115,330	1,270
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>116,600</u>	<u>115,330</u>	<u>1,270</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(10,230)</u>	<u>(10,230)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(10,230)</u>	<u>(10,230)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>20,072</u>	<u>20,072</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,842</u>	<u>\$ 9,842</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			10,230	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-11

21ST CENTURY COMMUNITY LEARNING CENTERS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	320,600	389,486	340,007	(49,479)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>320,600</u>	<u>389,486</u>	<u>340,007</u>	<u>(49,479)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	308,900	375,408	209,746	165,662
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	11,700	14,078	7,865	6,213
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>320,600</u>	<u>389,486</u>	<u>217,611</u>	<u>171,875</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>122,396</u>	<u>122,396</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>122,396</u>	<u>122,396</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(161,929)</u>	<u>(161,929)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (39,533)</u>	<u>\$ (39,533)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(99,704)	
Adjustments to expenditures			(22,692)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-12

## LOS LUNAS SCHOOLS

## IDEA-B "RISK POOL" SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	17,869	-	(17,869)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>17,869</u>	<u>-</u>	<u>(17,869)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	17,869	6,487	11,382
Instruction	-	-	506	(506)
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>17,869</u>	<u>6,993</u>	<u>10,876</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,993)</u>	<u>(6,993)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(6,993)</u>	<u>(6,993)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,993)</u>	<u>\$ (6,993)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			6,993	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-13

## LOS LUNAS SCHOOLS

## TITLE I 1003G GRANT SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	32,994	116,852	83,858
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>32,994</u>	<u>116,852</u>	<u>83,858</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	32,994	32,664	330
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>32,994</u>	<u>32,664</u>	<u>330</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>84,188</u>	<u>84,188</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>84,188</u>	<u>84,188</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(84,188)</u>	<u>(84,188)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(84,188)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-14

ENHANCING ED THRU TECH SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,912)</u>	<u>(6,912)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,912)</u>	<u>\$ (6,912)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-15

## LOS LUNAS SCHOOLS

COMPREHENSIVE SCHOOL REFORM SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(21,931)</u>	<u>(21,931)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (21,931)</u>	<u>\$ (21,931)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-16

ELL TITLE III INCENTIVE AWARDS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(5,597)</u>	<u>(5,597)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,597)</u>	<u>\$ (5,597)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-17

## LOS LUNAS SCHOOLS

ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	97,641	114,149	105,254	(8,895)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>97,641</u>	<u>114,149</u>	<u>105,254</u>	<u>(8,895)</u>
<i>Expenditures:</i>				
Current:				
Instruction	78,911	110,212	87,568	22,644
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	3,530	2,187	1,786	401
School Administration	15,200	1,750	1,738	12
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>97,641</u>	<u>114,149</u>	<u>91,092</u>	<u>23,057</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>14,162</u>	<u>14,162</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>14,162</u>	<u>14,162</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(77,402)</u>	<u>(77,402)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (63,240)</u>	<u>\$ (63,240)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(11,912)	
Adjustments to expenditures			(2,250)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-18

TEACHER / PRINCIPAL TRAINING / RECRUITING SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	417,910	520,964	353,224	(167,740)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>417,910</u>	<u>520,964</u>	<u>353,224</u>	<u>(167,740)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	149,892	301,786	226,880	74,906
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	15,672	19,397	15,188	4,209
School Administration	252,346	199,781	164,289	35,492
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>417,910</u>	<u>520,964</u>	<u>406,357</u>	<u>114,607</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(53,133)</u>	<u>(53,133)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(53,133)</u>	<u>(53,133)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(67,090)</u>	<u>(67,090)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (120,223)</u>	<u>\$ (120,223)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			53,133	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-19

SAFE & DRUG FREE SCHOOLS & COMMUNITY SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	16,839	16,839
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>16,839</u>	<u>16,839</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>16,839</u>	<u>16,839</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>16,839</u>	<u>16,839</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(16,633)</u>	<u>(16,633)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 206</u>	<u>\$ 206</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(16,839)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-20

TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	66,685	33,344	(33,341)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>66,685</u>	<u>33,344</u>	<u>(33,341)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	64,184	1,000	63,184
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	2,501	37	2,464
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>66,685</u>	<u>1,037</u>	<u>65,648</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>32,307</u>	<u>32,307</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>32,307</u>	<u>32,307</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(63,789)</u>	<u>(63,789)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (31,482)</u>	<u>\$ (31,482)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(31,862)	
Adjustments to expenditures			(445)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-21

IMMIGRANT FUNDING- TITLE III SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	66,696	25,956	(40,740)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>66,696</u>	<u>25,956</u>	<u>(40,740)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	66,696	-	66,696
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>66,696</u>	<u>-</u>	<u>66,696</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>25,956</u>	<u>25,956</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>25,956</u>	<u>25,956</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(51,982)</u>	<u>(51,982)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (26,026)</u>	<u>\$ (26,026)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(25,956)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-22

CARL D PERKINS SECONDARY -CURRENT SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	83,616	81,574	46,924	(34,650)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>83,616</u>	<u>81,574</u>	<u>46,924</u>	<u>(34,650)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	83,478	78,626	71,343	7,283
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	138	2,948	2,675	273
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>83,616</u>	<u>81,574</u>	<u>74,018</u>	<u>7,556</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(27,094)</u>	<u>(27,094)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(27,094)</u>	<u>(27,094)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,511)</u>	<u>(2,511)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (29,605)</u>	<u>\$ (29,605)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			27,094	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-23

CARL D PERKINS SECONDARY -REDISTRIBUTION SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	11,533	11,533	1,519	(10,014)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>11,533</u>	<u>11,533</u>	<u>1,519</u>	<u>(10,014)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	11,100	11,100	1,519	9,581
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	433	433	-	433
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>11,533</u>	<u>11,533</u>	<u>1,519</u>	<u>10,014</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-24

TITLE I IASA FEDERAL STIMULUS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	600,000	664,103	530,221	(133,882)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>600,000</u>	<u>664,103</u>	<u>530,221</u>	<u>(133,882)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	482,865	562,899	522,435	40,464
Support Services				
Students	-	-	-	-
Instruction	-	43,700	43,650	50
General Administration	21,687	27,004	25,297	1,707
School Administration	50,000	30,000	25,337	4,663
Central Services	-	-	-	-
Operation & Maintenance of Plant	45,448	500	152	348
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>600,000</u>	<u>664,103</u>	<u>616,871</u>	<u>47,232</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(86,650)</u>	<u>(86,650)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(86,650)</u>	<u>(86,650)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(48,028)</u>	<u>(48,028)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (134,678)</u>	<u>\$ (134,678)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			88,526	
Adjustments to expenditures			(1,876)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-25

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	21,000	65,547	37,520	(28,027)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>21,000</u>	<u>65,547</u>	<u>37,520</u>	<u>(28,027)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	16,312	59,263	55,833	3,430
Support Services				
Students	-	-	-	-
Instruction	3,900	3,900	525	3,375
General Administration	788	2,384	2,113	271
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>21,000</u>	<u>65,547</u>	<u>58,471</u>	<u>7,076</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(20,951)</u>	<u>(20,951)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(20,951)</u>	<u>(20,951)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(11)</u>	<u>(11)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,962)</u>	<u>\$ (20,962)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			20,951	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-26

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	1,595	1,595
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,595</u>	<u>1,595</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>1,595</u>	<u>1,595</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,595</u>	<u>1,595</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,595)</u>	<u>(1,595)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(1,595)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-27

ENHANCING EDUCATION THROUGH TECHNOLOGY FEDERAL STIMULUS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	151,628	222,288	70,660
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>151,628</u>	<u>222,288</u>	<u>70,660</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	121,883	104,493	17,390
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	29,745	29,613	132
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>151,628</u>	<u>134,106</u>	<u>17,522</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>88,182</u>	<u>88,182</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>88,182</u>	<u>88,182</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(106,735)</u>	<u>(106,735)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,553)</u>	<u>\$ (18,553)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(88,182)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-28

## LOS LUNAS SCHOOLS

BILLED/COMP SCHOOL GRANTS USDE SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-29

## LOS LUNAS SCHOOLS

IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	30,000	88,596	89,316	720
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>30,000</u>	<u>88,596</u>	<u>89,316</u>	<u>720</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	26,493	85,393	57,785	27,608
Support Services				
Students	2,423	-	-	-
Instruction	-	-	-	-
General Administration	1,084	3,203	2,167	1,036
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>30,000</u>	<u>88,596</u>	<u>59,952</u>	<u>28,644</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>29,364</u>	<u>29,364</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>29,364</u>	<u>29,364</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>74,609</u>	<u>74,609</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,973</u>	<u>\$ 103,973</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			59,219	
Adjustments to expenditures			12,734	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 101,317</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-30

IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	21,000	31,719	32,245	526
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>21,000</u>	<u>31,719</u>	<u>32,245</u>	<u>526</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	803	6,401	3,883	2,518
Support Services				
Students	-	-	-	-
Instruction	19,438	24,172	20,715	3,457
General Administration	759	1,146	922	224
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>21,000</u>	<u>31,719</u>	<u>25,520</u>	<u>6,199</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>6,725</u>	<u>6,725</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>6,725</u>	<u>6,725</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>21,748</u>	<u>21,748</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,473</u>	<u>\$ 28,473</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			21,748	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 28,473</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-31

TITLE XIX MEDICAID 3 / 21 YEARS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	800,000	800,000	906,644	106,644
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>800,000</u>	<u>800,000</u>	<u>906,644</u>	<u>106,644</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	95,203	90,635	90,635	-
Support Services				
Students	469,828	605,315	537,538	67,777
Instruction	-	31,817	31,708	109
General Administration	30,000	30,000	28,919	1,081
School Administration	204,969	186,969	175,783	11,186
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	153	152	1
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>800,000</u>	<u>944,889</u>	<u>864,735</u>	<u>80,154</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(144,889)</u>	<u>41,909</u>	<u>186,798</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	144,889	-	(144,889)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>144,889</u>	<u>-</u>	<u>(144,889)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>41,909</u>	<u>41,909</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>944,887</u>	<u>944,887</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 986,796</u>	<u>\$ 986,796</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			12,844	
Adjustments to expenditures			(611)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 54,142</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-32

## LOS LUNAS SCHOOLS

CHILD CARE BLOCK GRANT CYFD SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	36,509	38,562	2,053
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>36,509</u>	<u>38,562</u>	<u>2,053</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	53,398	53,397	1
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>53,398</u>	<u>53,397</u>	<u>1</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(16,889)</u>	<u>(14,835)</u>	<u>2,054</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	16,889	-	(16,889)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>16,889</u>	<u>-</u>	<u>(16,889)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(14,835)</u>	<u>(14,835)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>16,889</u>	<u>16,889</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,054</u>	<u>\$ 2,054</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			14,835	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-33

## LOS LUNAS SCHOOLS

INDIAN ED FORMULA GRANT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	68,137	65,854	67,523	1,669
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>68,137</u>	<u>65,854</u>	<u>67,523</u>	<u>1,669</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	16,598	16,398	16,397	1
Support Services				
Students	28,693	27,423	27,413	10
Instruction	20,346	19,652	19,603	49
General Administration	2,500	2,381	2,378	3
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>68,137</u>	<u>65,854</u>	<u>65,791</u>	<u>63</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,732</u>	<u>1,732</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,732</u>	<u>1,732</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(11,556)</u>	<u>(11,556)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,824)</u>	<u>\$ (9,824)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(1,732)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-34

## LOS LUNAS SCHOOLS

## GEAR UP USDE SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,398</u>	<u>6,398</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,398</u>	<u>\$ 6,398</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-35

SMALLER LEARNING COMMUNITIES SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	660,360	170,728	(489,632)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>660,360</u>	<u>170,728</u>	<u>(489,632)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	447,010	59,796	387,214
Support Services				
Students	-	88,017	87,834	183
Instruction	-	-	-	-
General Administration	-	23,866	8,984	14,882
School Administration	-	101,467	91,953	9,514
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>660,360</u>	<u>248,567</u>	<u>411,793</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(77,839)</u>	<u>(77,839)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(77,839)</u>	<u>(77,839)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>183</u>	<u>183</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (77,656)</u>	<u>\$ (77,656)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			95,950	
Adjustments to expenditures			<u>(18,111)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-36

STATE EQUALIZATION GUARANTEE FEDERAL STIMULUS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	572,840	575,005	884,327	309,322
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>572,840</u>	<u>575,005</u>	<u>884,327</u>	<u>309,322</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	572,840	575,005	575,005	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>572,840</u>	<u>575,005</u>	<u>575,005</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>309,322</u>	<u>309,322</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>309,322</u>	<u>309,322</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(431,427)</u>	<u>(431,427)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (122,105)</u>	<u>\$ (122,105)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(309,322)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-37

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	1,549,248	954,063	(595,185)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	1,549,248	954,063	(595,185)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	1,549,248	1,549,248	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	1,549,248	1,549,248	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(595,185)	(595,185)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(595,185)	(595,185)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (595,185)	\$ (595,185)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			595,185	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-38

## LOS LUNAS SCHOOLS

## DUAL CREDIT INSTRUCTIONAL MATERIALS

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	5,000	979	(4,021)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,000</u>	<u>979</u>	<u>(4,021)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	5,000	2,743	2,257
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,000</u>	<u>2,743</u>	<u>2,257</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,764)</u>	<u>(1,764)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,764)</u>	<u>(1,764)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(979)</u>	<u>(979)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,743)</u>	<u>\$ (2,743)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (1,764)</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-39

2008 GO BOND LIBRARY FUND SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	43,836	37,564	(6,272)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>43,836</u>	<u>37,564</u>	<u>(6,272)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	43,836	40,231	3,605
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>43,836</u>	<u>40,231</u>	<u>3,605</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,667)</u>	<u>(2,667)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(2,667)</u>	<u>(2,667)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(20,258)</u>	<u>(20,258)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,925)</u>	<u>\$ (22,925)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			3,109	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 442</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-40

## LOS LUNAS SCHOOLS

ARRA SOLAR ENERGY GRANT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	300,000	300,000	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>300,000</u>	<u>300,000</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	300,000	300,000	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>300,000</u>	<u>300,000</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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-41

TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	6,276	-	(6,276)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,276</u>	<u>-</u>	<u>(6,276)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	6,276	6,276	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,276</u>	<u>6,276</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,276)</u>	<u>(6,276)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(6,276)</u>	<u>(6,276)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,276</u>	<u>6,276</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (6,276)</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-42

INCENTIVES FOR SCHOOL IMPROVEMENT ACT SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	45,877	24,143	21,734
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	15,700	-	15,700
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>61,577</u>	<u>24,143</u>	<u>37,434</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(61,577)</u>	<u>(24,143)</u>	<u>37,434</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	61,577	-	(61,577)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>61,577</u>	<u>-</u>	<u>(61,577)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(24,143)</u>	<u>(24,143)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>61,577</u>	<u>61,577</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,434</u>	<u>\$ 37,434</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (24,143)</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-43

## LOS LUNAS SCHOOLS

STATE SCHOOL IMP PROGRAM PED SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(19,661)</u>	<u>(19,661)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,661)</u>	<u>\$ (19,661)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-44

## LOS LUNAS SCHOOLS

## PRE K INITIATIVE SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	74,457	74,457	79,020	4,563
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>74,457</u>	<u>74,457</u>	<u>79,020</u>	<u>4,563</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	71,766	71,766	70,916	850
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	2,691	2,691	2,659	32
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>74,457</u>	<u>74,457</u>	<u>73,575</u>	<u>882</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>5,445</u>	<u>5,445</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>5,445</u>	<u>5,445</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,604)</u>	<u>(13,604)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,159)</u>	<u>\$ (8,159)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(5,445)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-45

## LOS LUNAS SCHOOLS

## INDIAN EDUCATION ACT SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>50</u>	<u>50</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 50</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-46

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-47

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	76,633	76,633	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>76,633</u>	<u>76,633</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	-	-	-	-
Food Services Operations	-	76,633	76,633	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>76,633</u>	<u>76,633</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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>50,975</u>	<u>50,975</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,975</u>	<u>\$ 50,975</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-48

SCHOOLS IN NEED OF IMPROVEMENT SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	35,185	35,185
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>35,185</u>	<u>35,185</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>35,185</u>	<u>35,185</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>35,185</u>	<u>35,185</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(35,185)</u>	<u>(35,185)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(35,185)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-49

LEGISLATIVE APPROPRIATIONS OF 2007 SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>32</u>	<u>32</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32</u>	<u>\$ 32</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-50

KINDERGARTEN THREE PLUS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	107,130	142,096	101,776	(40,320)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	107,130	142,096	101,776	(40,320)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	107,130	140,832	141,356	(524)
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	1,264	738	526
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	107,130	142,096	142,094	2
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(40,318)	(40,318)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(40,318)	(40,318)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (40,318)	\$ (40,318)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			87,207	
Adjustments to expenditures			(28,676)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 18,213	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-51

## LOS LUNAS SCHOOLS

LIBRARIES SB301 GO BONDS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	22,049	22,049
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>22,049</u>	<u>22,049</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>22,049</u>	<u>22,049</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>22,049</u>	<u>22,049</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(22,049)</u>	<u>(22,049)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 22,049</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-52

## LOS LUNAS SCHOOLS

BAND UNIFORMS FOR VALENCIA HIGH SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	19,196	19,196
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>19,196</u>	<u>19,196</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>19,196</u>	<u>19,196</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>19,196</u>	<u>19,196</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(19,196)</u>	<u>(19,196)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 19,196</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-53

## LOS LUNAS SCHOOLS

## LIBRARY BOOK FUND SPECIAL REVENUE FUND

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	26,211	26,211
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>26,211</u>	<u>26,211</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>26,211</u>	<u>26,211</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(26,209)</u>	<u>(26,209)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 26,211</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement B-54

OFFICE OF CULTURAL AFFAIRS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>275</u>	<u>275</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275</u>	<u>\$ 275</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-55

## LOS LUNAS SCHOOLS

## GEAR-UP CHE SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	319,546	190,233	(129,313)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>319,546</u>	<u>190,233</u>	<u>(129,313)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	319,546	264,393	55,153
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>319,546</u>	<u>264,393</u>	<u>55,153</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(74,160)</u>	<u>(74,160)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(74,160)</u>	<u>(74,160)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(67,687)</u>	<u>(67,687)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (141,847)</u>	<u>\$ (141,847)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			90,166	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 16,006</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-56

## LOS LUNAS SCHOOLS

## GRADS CHILDCARE SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	3,000	3,000	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	3,000	3,000	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,000</u>	<u>3,000</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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-57

## LOS LUNAS SCHOOLS

## GRADS - INSTRUCTION SPECIAL REVENUE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	8,000	8,000	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,000</u>	<u>8,000</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	8,000	8,000	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,000</u>	<u>8,000</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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**CAPITAL PROJECTS FUNDS**

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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 the following separate funds classified as Capital Projects Funds:

**Public Schools Capital Outlay (31200)** – To account for Critical Capital Outlay funds and other special capital outlay funds received from the State of New Mexico. The funds are restricted for the purposes outlined in the applicable legislation under which the funds were approved. This generally includes construction of new schools or improvements to existing schools.

**Special Capital Outlay State (31400)** – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading the school facilities.

**Capital Improvements HB-33 Capital Projects Fund (31600)** is used to account for monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of purchasing technology assets and supplies.

**Capital Improvements SB-9 Capital Projects Fund (31700)** is used to account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

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**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**JUNE 30, 2011**

Statement C-1

	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
<b>ASSETS</b>					
<i>Current Assets</i>					
Cash and cash equivalents	\$ -	\$ 85,767	\$ 1,465,422	\$ 38,185	\$ 1,589,374
Accounts receivable					
Taxes	-	-	430,309	287,105	717,414
Due from other governments	-	-	-	-	-
Interfund receivables	-	-	-	-	-
Other	-	-	59,085	-	59,085
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>85,767</u>	<u>1,954,816</u>	<u>325,290</u>	<u>2,365,873</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<i>Current Liabilities:</i>					
Accounts payable	-	-	-	37,886	37,886
Accrued payroll liabilities	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Interfund payables	-	-	-	-	-
Deferred revenue - property taxes	-	-	387,486	258,557	646,043
Deferred revenue - other	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>387,486</u>	<u>296,443</u>	<u>683,929</u>
<i>Fund balances</i>					
Fund Balance:					
Nonspendable	-	-	-	-	-
Restricted for:					
Special Revenue	-	-	-	-	-
Capital Projects	-	85,767	1,567,330	28,847	1,681,944
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>85,767</u>	<u>1,567,330</u>	<u>28,847</u>	<u>1,681,944</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 85,767</u>	<u>\$ 1,954,816</u>	<u>\$ 325,290</u>	<u>\$ 2,365,873</u>

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

## STATE OF NEW MEXICO

Statement C-2

## LOS LUNAS SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDING JUNE 30, 2011

	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Capital	Capital	Total
			Improvements HB-33 31600	Improvements SB-9 31700	
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ 2,069,609	\$ 1,379,424	\$ 3,449,033
State grants	-	-	-	4,014	4,014
Federal grants	-	-	-	-	-
Miscellaneous	-	-	256,363	-	256,363
Interest	-	388	1,946	108	2,442
<i>Total revenues</i>	-	388	2,327,918	1,383,546	3,711,852
<i>Expenditures:</i>					
Current:					
Instruction	-	-	-	-	-
Support Services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General Administration	-	-	17,000	13,917	30,917
School Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Other Support Services	-	-	-	-	-
Food Services Operations	-	-	-	-	-
Community Service	-	-	-	-	-
Capital outlay	-	319,059	2,182,625	1,891,403	4,393,087
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	-	319,059	2,199,625	1,905,320	4,424,004
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(318,671)	128,293	(521,774)	(712,152)
<i>Other financing sources (uses):</i>					
Operating transfers	-	(26,211)	-	-	(26,211)
<i>Total other financing sources (uses)</i>	-	(26,211)	-	-	(26,211)
<i>Net changes in fund balances</i>	-	(344,882)	128,293	(521,774)	(738,363)
<i>Fund balances - beginning of year</i>	-	430,649	1,439,037	550,621	2,420,307
<i>Fund balances - end of year</i>	\$ -	\$ 85,767	\$ 1,567,330	\$ 28,847	\$ 1,681,944

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

## STATE OF NEW MEXICO

Statement C-3

## LOS LUNAS SCHOOLS

## BOND BUILDING CAPITAL PROJECT FUND

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

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	1,773,473	1,773,473
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	15,465	15,465
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,788,938</u>	<u>1,788,938</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	2,434,652	8,463,770	4,413,011	4,050,759
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,434,652</u>	<u>8,463,770</u>	<u>4,413,011</u>	<u>4,050,759</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,434,652)</u>	<u>(8,463,770)</u>	<u>(2,624,073)</u>	<u>5,839,697</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,434,652	3,513,770	-	(3,513,770)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	4,950,000	5,035,892	85,892
Bond Premiums	-	-	126,500	126,500
<i>Total other financing sources (uses)</i>	<u>2,434,652</u>	<u>8,463,770</u>	<u>5,162,392</u>	<u>(3,427,878)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,538,319</u>	<u>2,538,319</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,513,771</u>	<u>3,513,771</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,052,090</u>	<u>\$ 6,052,090</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(160,000)	
Adjustments to expenditures			328,997	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 2,707,316</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement C-4

PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement C-5

## LOS LUNAS SCHOOLS

SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	196,442	152,825	(43,617)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	388	388
<i>Total revenues</i>	<u>-</u>	<u>196,442</u>	<u>153,213</u>	<u>(43,229)</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	196,442	195,846	596
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>196,442</u>	<u>195,846</u>	<u>596</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(42,633)</u>	<u>(42,633)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	(26,211)	(26,211)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(26,211)</u>	<u>(26,211)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(68,844)</u>	<u>(68,844)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>154,611</u>	<u>154,611</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,767</u>	<u>\$ 85,767</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(152,825)	
Adjustments to expenditures			(123,213)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (344,882)</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement C-6

## LOS LUNAS SCHOOLS

CAPITAL IMPROVEMENTS HB-33 STATE CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 2,105,052	\$ 2,105,052	\$ 2,088,196	\$ (16,856)
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	256,363	256,363
Interest	-	-	1,946	1,946
<i>Total revenues</i>	<u>2,105,052</u>	<u>2,105,052</u>	<u>2,346,505</u>	<u>241,453</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	17,000	17,000	17,000	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	3,026,501	3,496,279	2,272,310	1,223,969
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,043,501</u>	<u>3,513,279</u>	<u>2,289,310</u>	<u>1,223,969</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(938,449)</u>	<u>(1,408,227)</u>	<u>57,195</u>	<u>1,465,422</u>
<i>Other financing sources (uses):</i>				
Designated cash	938,449	1,408,227	-	(1,408,227)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>938,449</u>	<u>1,408,227</u>	<u>-</u>	<u>(1,408,227)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>57,195</u>	<u>57,195</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,408,227</u>	<u>1,408,227</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,465,422</u>	<u>\$ 1,465,422</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(18,587)	
Adjustments to expenditures			89,685	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 128,293</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**

Statement C-7

CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 1,403,189	\$ 1,403,189	\$ 1,391,838	\$ (11,351)
State grants	947,304	950,717	951,318	601
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	108	108
<i>Total revenues</i>	<u>2,350,493</u>	<u>2,353,906</u>	<u>2,343,264</u>	<u>(10,642)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	15,000	15,000	13,917	1,083
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	2,599,573	2,602,986	1,914,764	688,222
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,614,573</u>	<u>2,617,986</u>	<u>1,928,681</u>	<u>689,305</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(264,080)</u>	<u>(264,080)</u>	<u>414,583</u>	<u>678,663</u>
<i>Other financing sources (uses):</i>				
Designated cash	264,080	264,080	-	(264,080)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>264,080</u>	<u>264,080</u>	<u>-</u>	<u>(264,080)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>414,583</u>	<u>414,583</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(376,398)</u>	<u>(376,398)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,185</u>	<u>\$ 38,185</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(959,718)	
Adjustments to expenditures			23,361	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (521,774)</u>	

The accompanying notes are an integral part of these financial statements

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**DEBT SERVICE FUND**

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## LOS LUNAS SCHOOLS

## DEBT SERVICE FUND

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

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 5,564,742	\$ 5,564,742	\$ 5,725,404	\$ 160,662
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	517	517
<i>Total revenues</i>	<u>5,564,742</u>	<u>5,564,742</u>	<u>5,725,921</u>	<u>161,179</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	58,000	58,000	57,250	750
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service Reserve	4,810,731	5,088,994	-	5,088,994
Debt service Principal	4,015,000	4,015,000	8,421,006	(4,406,006)
Debt service Interest	1,549,742	1,549,742	1,369,745	179,997
Debt service Bond Issuance Costs	-	-	-	-
<i>Total expenditures</i>	<u>10,433,473</u>	<u>10,711,736</u>	<u>9,848,001</u>	<u>863,735</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(4,868,731)</u>	<u>(5,146,994)</u>	<u>(4,122,080)</u>	<u>1,024,914</u>
<i>Other financing sources (uses):</i>				
Designated cash	4,868,731	5,146,994	-	(5,146,994)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	4,139,118	4,139,118
Bond Underwriter Premium	-	-	129,934	129,934
<i>Total other financing sources (uses)</i>	<u>4,868,731</u>	<u>5,146,994</u>	<u>4,269,052</u>	<u>(877,942)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>146,972</u>	<u>146,972</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,146,994</u>	<u>5,146,994</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,293,966</u>	<u>\$ 5,293,966</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(50,542)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 96,430</u>	

The accompanying notes are an integral part of these financial statements

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**CAPITAL ASSETS  
USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS**

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## STATE OF NEW MEXICO

Statement E-1

## LOS LUNAS SCHOOLS

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

## SCHEDULE OF CHANGES BY ASSET CLASS AND FUNCTION

YEAR ENDED JUNE 30, 2011

	Balance June 30 2010	Additions	Deletions	Transfers & Adjustments	Balance June 30 2011
<i>Governmental funds capital assets:</i>					
Land	\$ 2,158,964	\$ 22,416	\$ -	\$ -	\$ 2,181,380
Land improvements	8,931,029	228,418	\$ -	-	9,159,447
Buildings & building improvements	143,042,668	4,426,738	(94,034)	28,374	147,403,746
Furniture, fixtures & equipment	5,290,260	131,413	(439,215)	-	4,982,458
Vehicles	7,226,758	285,364	(11,000)	-	7,501,122
Construction in progress	4,059,514	108,369	-	(28,374)	4,139,509
<i>Total governmental funds capital assets</i>	<u>170,709,193</u>	<u>5,202,718</u>	<u>(544,249)</u>	<u>-</u>	<u>175,367,662</u>
<i>Investments in governmental funds capital assets by function:</i>					
<b>Functions:</b>					
Instruction	4,345,862	116,307	(100,701)	-	4,361,468
Support Services - Students	136,778	12,803	-	-	149,581
Support Services - Instruction	589,746	-	-	-	589,746
Support Services - General	116,833	-	(675)	-	116,158
Support Services - School Admin	410,064	-	(55,573)	-	354,491
Fiscal Services	122,928	-	-	-	122,928
Purchasing, Warehousing, & Distributi	56,598	-	-	-	56,598
Personnel Services	29,273	-	(2,193)	-	27,080
Technology - District Wide	2,714,904	-	-	-	2,714,904
Operations & Maintenance	1,480,414	7,525	(14,392)	-	1,473,547
Security	387,921	-	-	-	387,921
Transportation	6,156,310	-	-	-	6,156,310
Food Services	942,293	32,278	(10,823)	-	963,748
Capital Outlay	131,626,750	5,033,805	(359,892)	-	136,300,663
Construction in Progress	21,592,519	-	-	-	21,592,519
<i>Total investment in governmental funds capital assets by function</i>	<u>\$ 170,709,193</u>	<u>\$ 5,202,718</u>	<u>\$ (544,249)</u>	<u>\$ -</u>	<u>\$ 175,367,662</u>

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

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**SUPPORTING SCHEDULES**

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**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**AGENCY FUNDS**  
**SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Schedule I

	Balance June 30, 2010	Additions	Deletions	Adjustment	Balance June 30, 2011
Los Lunas High School	\$ 161,923	\$ 148,384	\$ 155,817	\$ 305	\$ 154,795
Los Lunas Middle School	22,578	47,607	69,075	(204)	906
Los Lunas Elementary	13,616	18,548	13,933	(45)	18,186
Ann Parish Elementary	12,774	25,173	28,735	(108)	9,104
Peralta Elementary	8,195	8,231	6,482	(50)	9,894
Bosque Farms Elementary	24,925	26,576	15,579	-	35,922
Daniel Fernandez Intermediate	7,894	12,188	10,379	-	9,703
Katherine Gallegos Elementary	14,710	23,941	23,609	(7,497)	7,545
Tome Elementary	6,818	4,705	2,230	-	9,293
Raymond Galbadon Elementary	18,090	18,237	22,115	(50)	14,162
Valencia Middle School	31,687	72,789	68,520	(58)	35,898
Valencia Elementary	8,906	25,520	20,736	(19)	13,671
District-wide	63,980	22,794	20,808	(288)	65,678
Special Services	30,588	9,967	5,816	(101)	34,638
Desert View Intermediate	4,395	13,317	12,912	-	4,800
Century High School	1,625	232	210	(49)	1,598
Project Keys	(19,245)	86,677	67,204	(228)	-
Desert View Elementary After School Program	(45,475)	-	-	45,475	-
Los Lunas High School Swimming Pool	(42,109)	54,126	54,214	42,197	-
Sundance Elementary	3,240	36,444	34,819	7,447	12,312
Valencia High School	53,742	104,152	105,823	128	52,199
<b>Total All Schools</b>	<b>\$ 382,857</b>	<b>\$ 759,608</b>	<b>\$ 739,016</b>	<b>\$ 86,855</b>	<b>\$ 490,304</b>
				Petty Cash	1,100
				<b>Total Cash</b>	<b>\$ 491,404</b>

\*Note: Valencia Middle School - formally Manzano Vista Middle School

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

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**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY**  
**FOR PUBLIC FUNDS**  
**JUNE 30, 2011**

Schedule II  
Page 1 of 2

Name of Depository	Description of Pledged Collateral	Fair / Par Market Value June 30, 2011	Name and Location of Safekeeper
First Community Bank	MBS GNMA II CUSIP #36202EXM6 5.50%, Due 11/20/2038	\$ 61,784	First Community Bank
First Community Bank	GNR 2009-61 NP CUSIP #38376FBN1 4.0%, Due 08-20-2039	177,423	First Community Bank
First Community Bank	GNR 2009-58 AP CUSIP #38375D2H0 4.0%, Due 06/20/2039	296,667	First Community Bank
First Community Bank	GNR 2010-23 LC CUSIP #38376VL62 3.5%, Due 10/20/2037	267,349	First Community Bank
First Community Bank	MBS GNMA I Platinum 781763 CUSIP #36225B5Y0 5.5%, Due 06/15/2019	160,499	First Community Bank
First Community Bank	MBS GNMA I 781651 15-YR CUSIP #36225BZQ4 4.5%, Due 09/15/2018	122,028	First Community Bank
First Community Bank	MBS GNMA II 1-YR TSY ARM 5/1 CUSIP #36225ELT7 5%, Due 08/20/2038	64,885	First Community Bank
First Community Bank	GNR 2009-20AB CUSIP #38374TPE8 5%, Due 03/16/2032	155,071	First Community Bank
First Community Bank	GNR 2009-43 JP CUSIP #38374UG62 5%, Due 10/20/2036	172,032	First Community Bank
First Community Bank	GNR 2008-50 KT CUSIP #38375QB73 5%, Due 08/16/2036	63,202	First Community Bank
First Community Bank	GNR 2009-104 KA CUSIP #38376JLG7 4.5%, Due 08/16/2039	426,874	First Community Bank

The accompanying notes are and integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY**  
**FOR PUBLIC FUNDS**  
**JUNE 30, 2011**

Schedule II  
Page 2 of 2

Name of Depository	Description of Pledged Collateral	Fair / Par Market Value June 30, 2011	Name and Location of Safekeeper
First Community Bank	GNR 2009-87 AB CUSIP #38376KPG0 5%, Due 10/20/2037	4,407,848	First Community Bank
Subtotal, First Community Bank		<u>6,375,662</u>	
Wells Fargo Bank	FED NATL MTG ASSN POOL #888021 CUSIP #31410FSJ5 6.0%, Due 12/1/2036	64,720	Wells Fargo Bank, California
Wells Fargo Bank	FED NATL MTG ASSN POOL #928398 CUSIP #31412LNP1 6.0%, Due 06/01/2037	568,642	Wells Fargo Bank, California
Wells Fargo Bank	FED NATL MTG ASSN POOL #934289 CUSIP #31412TNE9 6.0%, Due 6/1/2038	<u>525,204</u>	Wells Fargo Bank, California
Subtotal, Wells Fargo Bank		<u>1,158,567</u>	
<b>Total All Banks</b>		<u><u>\$ 7,534,229</u></u>	

The accompanying notes are and integral part of these financial statements

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS**  
**JUNE 30, 2011**

Schedule III

Bank Account Type	First Community Bank	Wells Fargo Bank	Totals
Checking - General Account	\$ 11,006,959	\$ -	\$ 11,006,959
Checking - Payroll Account	135,020	-	135,020
Money Market Account	6,086,025		6,086,025
Certificates of Deposit	-	1,010,209	1,010,209
Total On Deposit	17,228,004	1,010,209	18,238,213
Reconciling Items	(1,283,533)	-	(1,283,533)
Reconciled Balance June 30, 2011	<u>\$ 15,944,471</u>	<u>\$ 1,010,209</u>	<u>\$ 16,954,680</u>
Plus: Petty Cash			3,230
Less: Fiduciary Funds Cash			<u>(491,404)</u>
Cash per Government-wide Financial Statements			<u>\$ 16,466,506</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**CASH RECONCILIATION**  
**JUNE 30, 2011**

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000
Cash, June 30, 2010	\$ -	\$ 92,414	\$ 262,271	\$ 665,627
Add:				
2010-11 revenues	54,969,834	2,414,697	339,615	3,700,157
Repayment of loans	2,404,275	-	-	-
Loans from other funds	-	-	-	-
Total cash available	57,374,109	2,507,111	601,886	4,365,784
Less:				
2010-11 expenditures	(52,841,412)	(2,507,111)	(250,208)	(3,713,997)
Repayment of loans	-	-	-	-
Transfers to/from other funds	(87,957)	-	-	-
Loans to other funds	(3,441,812)	-	-	-
Change due to held checks and and liabilities	177,246	-	-	-
Cash, June 30, 2011	<u>\$ 1,180,174</u>	<u>\$ -</u>	<u>\$ 351,678</u>	<u>\$ 651,787</u>

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

Athletics Account 22000	Non-Instruction Account 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
\$ 30,553	\$ 128,684	\$ 20,072	\$ 1,064,714	\$ -	\$ 118,910
103,179	198,061	6,555,715	3,143,408	-	672,402
-	-	-	-	-	-
-	-	2,401,389	804,770	-	93,806
133,732	326,745	8,977,176	5,012,892	-	885,118
(101,395)	(238,155)	(7,109,577)	(3,442,215)	-	(665,695)
-	-	(1,857,551)	(442,983)	-	(157,141)
-	-	-	-	-	26,211
-	-	-	-	-	-
\$ 32,337	\$ 88,590	\$ 10,048	\$ 1,127,694	\$ -	\$ 88,493

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**CASH RECONCILIATION**  
**JUNE 30, 2011**

	State Direct 28000	Local / State 29000	Bond Building 31100	Public School Capital Outlay 31200
Cash, June 30, 2010	\$ 275	\$ -	\$ 3,513,771	\$ -
Add:				
2010-11 revenues	201,233	-	6,951,330	-
Repayment of loans	-	-	-	-
Loans from other funds	141,847	-	-	-
Total cash available	343,355	-	10,465,101	-
Less:				
2010-11 expenditures	(275,393)	-	(4,413,011)	-
Repayment of loans	(67,687)	-	-	-
Transfers to other funds	-	-	-	-
Loans to other funds	-	-	-	-
Change due to held checks and and liabilities	-	-	-	-
Cash, June 30, 2011	<u>\$ 275</u>	<u>\$ -</u>	<u>\$ 6,052,090</u>	<u>\$ -</u>

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

Spec. Capital Outlay-State 31400	Cap. Improv. HB 33 31600	Cap. Improv. SB 9 31700	Debt Service Fund 41000	Total
\$ 154,611	\$ 1,408,227	\$ -	\$ 4,649,509	\$ 12,109,638
153,213	2,346,505	2,343,264	9,994,973	94,087,586
-	-	-	497,485	2,901,760
-	-	-	-	3,441,812
307,824	3,754,732	2,343,264	15,141,967	112,540,796
(195,846)	(2,289,310)	(1,928,681)	(9,848,001)	(89,820,007)
-	-	(376,398)	-	(2,901,760)
(26,211)	-	-	-	(87,957)
-	-	-	-	(3,441,812)
-	-	-	-	177,246
<u>\$ 85,767</u>	<u>\$ 1,465,422</u>	<u>\$ 38,185</u>	<u>\$ 5,293,966</u>	<u>\$ 16,466,506</u>

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

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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 Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Los Lunas Schools  
Los Lunas, New Mexico

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue fund and the combining and individual funds and related budgetary comparisons presented as supplemental information of Los Lunas Schools, New Mexico, 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, and have issued our report thereon dated October 28, 2011. We also have audited the financial statements of each of the District's major capital project fund, the debt service fund, non-major governmental and fiduciary funds and budgetary comparisons 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, and have issued our report thereon dated October 28, 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 Los Lunas Schools, New Mexico's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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 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 internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting. FS 11-02. 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.

P.O. Box 37379 • Albuquerque, NM 87176-7379  
8500 Menaul Blvd. NE, Ste. B295 • Albuquerque, NM 87112  
Phone (505) 856-2741 - Fax (505) 856-7510

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### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Los Lunas Schools, New Mexico's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items FS 09-01, 11-01 and 11-02. .

We also noted certain other matters that are required to be reported pursuant to Governmental Auditing Standards paragraphs 5.14 and 5.16, and pursuant to section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as findings FS 09-01 and 11-01.

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

This report is intended solely for the information and use of management, the Board of Education, others within the organization, New Mexico Public Education Department, the audit committee, the Office of the State Auditor, New Mexico State Legislature, 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.

A handwritten signature in cursive script that reads "Grigo Professional Services, LLC".

Albuquerque, New Mexico  
October 28, 2011

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**FEDERAL FINANCIAL ASSISTANCE**

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**Griego Professional Services, LLC**

Certified Public Accountants

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

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Los Lunas Schools  
Los Lunas, New Mexico

Compliance

We have audited Los Lunas Schools, New Mexico, compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Los Lunas Public Schools major federal programs for the year ended June 30, 2011. Los Lunas Schools, New Mexico's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Los Lunas Schools, New Mexico's management. Our responsibility is to express an opinion on Los Lunas Schools, New Mexico's compliance based on our audit.

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

In our opinion, Los Lunas Schools, New Mexico complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Los Lunas Schools, New Mexico is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Los Lunas Schools, New Mexico's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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Phone (505) 856-2741 - Fax (505) 856-7510

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A deficiency in internal control over compliance 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, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the audit committee, management, others within the organization, the Office of the State Auditor, New Mexico State Legislature, New Mexico 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.

*Grigo Professional Services, LLC*

Albuquerque, New Mexico  
October 28, 2011

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**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Schedule V  
(Page 1 of 3)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA	Federal Expenditures
<b>U.S. Department of Health and Human Services</b>			
<i>Passthrough State of New Mexico Children Youth &amp; Families Department</i>			
Child Care Block Grant	25157	93.037	<u>36,508</u>
<i>Subtotal - Passthrough State of New Mexico Children Youth &amp; Families Department</i>			<u>36,508</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>36,508</u>
<b>U.S. Department of Education</b>			
<i>Passthrough State of New Mexico Department of Education</i>			
Title I (1)	24101	84.010	2,021,924
IDEA B - Entitlement (1)	24106	84.027	1,768,746
IDEA-B "Risk Pool" (1)	24120	84.027	6,993
IDEA B - Pre School (1)	24109	84.173	49,420
Education of Homeless	24113	84.196A	22,473
21st Century	24119	84.287C	240,303
Title I 1003G Grant	24124	84.377	32,664
Title III English Language Acquisition	24153	84.365A	93,342
Title IIA Teacher / Principal Training	24154	84.367A	406,357
Title I School Improvement (1)	24162	84.010A	1,482
Carl Perkins- Secondary Current	24174	84.048	74,018
Carl D. Perkins Secondary - Redistribution	24176	84.048	1,519
Title I IASA - Federal Stimulus (1)	24201	84.389	618,747
IDEA-B Entitlement Federal Stimulus (1)	24206	84.391	1,585,322
IDEA-B Pre School Federal Stimulus (1)	24209	84.392	58,471
Enhancing Education Through Technology (1)	24249	84.386	134,106
Smaller Learning Communities	25217	84.215L	266,678
State Equalization Guarantee Recovery Act (1)	25250	84.394	<u>575,005</u>
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>7,957,570</u>
<i>Direct U.S. Department of Education</i>			
Impact Aid	11000	84.041	128,982
Impact Aid - Special Education	25145	84.041	47,218
Impact Aid - Indian Education	25147	84.041	25,520
Indian Education Formula Grant	25184	84.060A	65,791
Education Jobs Fund (1)	25255	84.410	<u>1,549,248</u>
<i>Subtotal - Direct U.S. Department of Education</i>			<u>1,816,759</u>
<b>Total U.S. Department of Education</b>			<u>9,774,329</u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Schedule V  
(Page 2 of 3)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA	Federal Expenditures
<b>U.S. Department of Energy</b>			
<i>Direct U.S. Department of Energy</i>			
ARRA Solar Energy Grant	27110	81.041	<u>300,000</u>
<b>Total U.S. Department of Energy</b>			<u>300,000</u>
<b>U.S. Department of Agriculture</b>			
<i>Direct U.S. Department of Agriculture</i>			
Forest Reserve	11000	10.672	<u>7,217</u>
<i>Subtotal - Direct U.S. Department of Agriculture</i>			<u>7,217</u>
<i>Passthrough State of New Mexico Department of Education</i>			
Fresh Fruits & Vegetables	24118	10.582	115,330
School Lunch Program	21000	10.555	<u>3,484,433</u>
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>3,599,763</u>
<i>Passthrough State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities)	21000	10.550	<u>223,722</u>
<i>Subtotal - Passthrough State of New Mexico Department of Health and Human Services</i>			<u>223,722</u>
<b>Total U.S. Department of Agriculture</b>			<u>3,830,702</u>
<b>Total Federal Financial Assistance</b>			<u><u>\$ 13,941,539</u></u>

(1) Denotes Major Federal Financial Assistance Program

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Schedule V  
(Page 3 of 3)

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

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1. Basis of Presentation

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

2. Subrecipients

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

3. 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 \$223,722 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.550. Commodities are recorded as revenues and expenditures in the food service fund.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 13,941,539
Total expenditures funded by other sources	<u>75,956,478</u>
Total expenditures	<u><u>89,898,017</u></u>

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

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**Section I – Summary of Audit Results**

*Financial Statements:*

1. Type of auditors' report issued	Unqualified
2. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	Yes
Noncompliance material to financial statements noted?	No

*Federal Awards:*

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

CFDA Number	Federal Program
84.010, 84.010A & 84.389	Title I –IASA
84.027, 84.173, 84.391 & 84.392	IDEA-B Entitlement
84.394	Federal SEG
84.386	Enhancing Education through Technology
84.410	Education Jobs Fund
81.041	Solar Energy Grant

5. Dollar threshold used to distinguish between type A and type B programs:	\$418,753
6. Auditee qualified as low-risk auditee?	No

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2011**

**Section II – Financial Statement Findings**

**FS 09-01: Noncompliance with Budget Requirements – Repeated and Modified – Other Matter**

*Criteria:* According to 6.20.2.14 (E) NMAC, each school district shall verify that there is sufficient cash and budget prior to disbursement of cash. When it becomes apparent that the line item expenditures will exceed the budget amount, a budget line item transfer should be approved by the governing body in order to comply with state budgeting requirements applicable to school districts, 22-8-6 to 22-8-12 NMSA 1978. Deficit budget is not allowed. The “designated cash” must be available at the end of the prior fiscal year to cover the deficit created when budgeted expenditures exceed budgeted revenues.

*Condition:* The District had expenditure functions where actual expenditures exceeded budgetary authority in the following fund.

**Non-major Funds:**

Kindergarten Three Plus – Instructional	\$ <u>524</u>
<b>Total All Funds</b>	<b>\$ <u>524</u></b>

*Effect:* The District is in violation of 6.20.2.14 (E) NMAC, which requires each fund to disburse money for its specific purpose in accordance with its budget. The District has not complied with the requirement to ensure adequate cash is available for budgeted expenditures. This could result in budgeting cash that is not available.

*Cause:* The District did not make the appropriate budgetary transfers to alleviate the over-expenditure.

*Auditor’s Recommendation:* The District should establish a policy of budgetary review at year-end, and make the necessary budget adjustments.

*Management’s Response:* This mistake slipped through due to a last minute adjustment to the fund after all funds had already been reviewed. We will continue to review all funds frequently throughout the year and especially at year end and make necessary Budget adjustments as needed. We will also be more mindful of balances by function when making last minute adjustments since that is when you are most likely to make mistakes as in the case.

**FS 11-01 Timeliness of Deposits – Other Matter**

*Criteria:* NMAC 6.20.2.6 states that deposits must be made within a 24 hour period from the receipt of the monies.

*Condition:* During our testwork of receipts, we noted 1 instance out of 49 in which a receipt was not deposited timely. A deposit in the amount of \$42 at Los Lunas Elementary was not made within 24 hours of receipt.

*Cause:* The staff of the District did not deposit the funds within 24 hours after receipt. Proper procedures relating to cash receipts were not followed.

*Effect:* Non-adherence to state statutes places the District in noncompliance and lack of timeliness of deposits could subject the District to a possible occurrence of fraud.

*Auditors’ Recommendations:* We recommend that the District emphasize the importance of timely deposits of receipts, and monitor receipts more closely in order to be compliant with state statutes. The District should cross-train employees so that more than one individual is able to make deposits to ensure daily deposits are possible.

*Management’s Response:* The Business office will monitor and reinforce with the new employees as well as with the old ones that the proper handling and required deadlines for all Cash Deposits will be followed. We intend to continue training both in-house and on site and provide additional training when necessary. As time permits we will conduct site visits and verify that procedures are being followed.

**STATE OF NEW MEXICO**  
**LOS LUNAS SCHOOLS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2011**

**FS 11-02 – Budgeted Expenditures – Significant Deficiency**

*Criteria:* NMAC 2.2.2.10 (P) (1) states that, “If budgeted expenditures exceed budgeted revenues (after prior-year cash balance and any applicable federal receivables required to balance the budget), that fact must also be reported in a finding since budget deficits are generally not allowed. If the agency budgets cash or fund balance that did not exist at the beginning of the fiscal year, a finding should be reported.”

*Condition:* The District budgeted cash in the amount of \$264,080 in fund 31700, but maintained a negative cash balance of \$376,398 as of June 30, 2010, therefore budgeted fund balance did not exist at the beginning of the year by \$640,478.

*Cause:* The District did not ensure sufficient prior year cash balances before submitting the budget adjustment request to PED. This situation was a direct result of prior cash management issue within the District which affected the year ending June 30, 2011 budget and budgeted fund balances.

*Effect:* The District budgeted more cash than they actually had and was not in compliance with the New Mexico State Audit Rule 2.2.2.10(P)(I) and GASB 34.131. Excessive budgeting may lead to fund deficits and potential cash management and operational problems.

*Auditors’ Recommendations:* We recommend that the District review prior year audited cash balances before submitting budget adjustment requests for budgeted cash to ensure sufficient balances exist.

*Management’s Response:* The District has a prior year receivable from Public Education Dept. for fund 31700 from FY 08-09. We are very patiently trying to resolve. We were anticipating receiving our reimbursement prior to June 30th, 2010. To avoid such problems in the future, the District will make it a priority to submit for reimbursements more timely and review year end audited cash balances before submitting budget adjustment requests for budgeted cash to ensure sufficient balances exist.

**Section III – Federal Award Findings**

None

**Section IV – Prior Year Audit Findings**

FS 09-01 Noncompliance with Budget Requirements – Repeated and Modified

FS 10-01 Bank Reconciliations- Resolved

FS 10-02 Negative Cash in Student Activity Funds - Resolved

**Section V – Other Disclosures**

Auditor Prepared Financials

Griego Professional Services, LLC assisted in the preparation of the financial statements presented in this report. The District’s management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.

Exit Conference

The contents of this report were discussed on November 10, 2011. The following individuals were in attendance.

Los Lunas Schools

Robert Archuleta, Board Member  
Shawn Gibson, Board Member  
Bernard Saiz, Superintendent  
Claire Cieremans, Chief Finance Officer  
Elizabeth Ramey, Audit Committee Member  
Sandy Traczyk, Finance Director  
Dana Sanders, LLS Asst. Superintendent

Griego Professional Services, LLC

Monica Yaple, CPA