

**C**  
**=W**  
**M**      **Chester W. Mattocks**  
**Certified Public Accountant**

---

---

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**ANNUAL FINANCIAL REPORT AND**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**TABLE OF CONTENTS**

	<u>Page</u>
INTRODUCTORY SECTION:	
Official Roster	1
FINANCIAL SECTION:	
Independent Auditor's Report	2
BASIC FINANCIAL STATEMENTS:	
Government-Wide Financial Statements:	
Statement of Net Assets	4
Statement of Activities	5
Fund Financial Statements:	
Balance Sheet - Governmental Funds	6
Reconciliation of the Balance Sheet -	
Governmental Funds - to the Statement of Net Assets	8
Statement of Revenues, Expenditures, and Changes in Fund Balances -	
Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund	
Balances - Governmental Funds - to the Statement of Activities	12
Statement of Revenues and Expenditures - Budget (Non-GAAP Budgetary Basis)	
and Actual (Non-GAAP Budgetary Basis):	
General	13
Food Service	14
Statement of Fiduciary Assets and Liabilities- Agency Funds	15
NOTES TO FINANCIAL STATEMENTS	16
SUPPLEMENTAL SECTION	
General Fund -	
Combining Balance Sheet - By Account	33
Combining Statement of Revenues, Expenditures, and	
Changes in Fund Balances - By Account	34

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2010**

**TABLE OF CONTENTS (continued)**

	<u>Page</u>
Statements of Revenues and Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis) - By Individual Account:	
Operational Account	35
Transportation Account	36
Instructional Materials Account	37
Nonmajor Governmental Funds Combining Balance Sheet - By Fund Type	38
Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Fund Type	39
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	42
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	48
Statement of Revenues and Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis) - Nonmajor Special Revenue Funds:	
Athletics	54
Board Activity	55
Title I - Basic	56
IDEA-B Entitlement	57
IDEA-B Preschool	58
Title V-A	59
Teacher/Principal Training and Recruitment	60
Title IV-A	61
21 <sup>st</sup> Century	62
ARRA- IDEA-B Entitlement Stimulus	63
ARRA- Operational Stimulus	64
Medicaid	65
NMYCC	66
Technology for Education	67
GO Student Library Funds	68
Dual Credit Instructional Materials	69
ARRA- Title I Stimulus	70
Legislative Appropriations	71
SB301 GO Bonds	72

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**TABLE OF CONTENTS (continued)**

	<b><u>Page</u></b>
Legislative Appropriations- After School Program	73
Incentives	74
CATCH Program	75
Mentorship	76
School- Based Health Center	77
New Mexico Arts Grant	78
 Debt Service Fund:	
Statement of Revenues and Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis) - Debt Service Fund	80
 Nonmajor Capital Projects Funds:	
Combining Balance Sheet	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	83
 Statement of Revenues and Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Basis) - Major and Nonmajor Capital Projects Funds:	
Bond Building	84
Public School Capital Outlay	85
Special Capital Outlay	86
Capital Improvements - SB-9	87
 OTHER SUPPLEMENTAL INFORMATION:	
Schedule of Cash Reconciliations	89
Schedule of Pledged Collateral	94
Fiduciary Funds:	
Schedule of Changes in Fiduciary Assets and Liabilities - All Agency Funds	95
Combining Schedule of Changes in Fiduciary Assets - All Agency Funds	96
Schedule of Joint Powers Agreement	97

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**TABLE OF CONTENTS (continued)**

SUPPLEMENTARY INFORMATION:

Schedule of Expenditures of Federal Awards	99
--	----

OTHER REPORTS:

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	102
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	104
Schedule of Findings and Questioned Costs	106
Summary Schedule of Prior Audit Findings	110
Exit Conference	111

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**OFFICIAL ROSTER**  
**As Of**  
**June 30, 2010**

**BOARD OF EDUCATION**

<u>NAME</u>	<u>TITLE</u>
P.J. Lovato	President
Ray Zamora	Vice-President
Gabe Chavez	Secretary
Eric Anaya	Member
Darrell Roberts	Member

**SCHOOL OFFICIALS**

<u>NAME</u>	<u>POSITION</u>
Jay Mortensen	Superintendent
Tammy Zamora	Business Manager

**C**  
**W**  
**M** **Chester W. Mattocks**  
**Certified Public Accountant**

**P.O. Box 25941**  
**Albuquerque, New Mexico 87125**  
**(505) 299-5233**

**INDEPENDENT AUDITOR'S REPORT**

The Board of Education  
State of New Mexico - Mountainair Public Schools  
Mountainair, New Mexico

and

Mr. Hector Balderas  
New Mexico State Auditor  
Santa Fe, New Mexico

I have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparisons of the General Fund and the major special revenue funds of the State of New Mexico, Mountainair Public Schools (District) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the Table of Contents. Also, I have audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the Table of Contents. These financial statements are the responsibility of the District's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements and the combining and individual fund 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. I believe that my audit provides a reasonable basis for my opinions.

In my 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 the District as of June 30, 2010, and the respective changes in financial position, thereof, and the respective budgetary comparisons for the General and major special revenue funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America. In addition, in my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2010, and the respective changes in financial position, thereof, and the respective budgetary comparisons for the major capital projects funds, major debt service funds 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, I have also issued a report dated November 11, 2010, on my consideration of the District's internal control over financial reporting and on my 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 my 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 my audit.

Mountainair Public Schools has not presented its Management's Discussion and Analysis for the year ended June 30, 2010. The Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board.

My audit was made for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements and on the combining and individual fund financial 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 Governments, and Non-Profit Organizations, and is not a required part of the financial statements. The additional schedules listed as other supplemental information in the Table of Contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

*Chester W. Matlock, CPA*

November 11, 2010



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF NET ASSETS**  
**AS OF JUNE 30, 2010**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 727,977
Property taxes receivable	100,800
Due from other governmental units	248,486
Inventory	1,657
Total current assets	<u>1,078,920</u>
Noncurrent assets:	
Capital assets	11,006,428
Less: Accumulated depreciation	<u>(3,689,886)</u>
Total noncurrent assets	<u>7,316,542</u>
Other assets	
Bond issuance costs, net of accumulated amortization of \$24,168	<u>61,437</u>
<b>Total assets</b>	<u><u>8,456,899</u></u>
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	-0-
Deferred revenue-grants	72,684
Current portion of long-term obligations	<u>248,681</u>
Total current liabilities	<u>321,365</u>
Long-term liabilities:	
Noncurrent portion of long-term obligations	<u>1,540,000</u>
Total long-term liabilities	<u>1,540,000</u>
<b>Total liabilities</b>	<u><u>1,861,365</u></u>
<b><u>NET ASSETS</u></b>	
Invested in capital assets, net of related debt	5,531,542
Restricted for:	
Debt service	244,604
Special projects	114,589
Capital projects	477,170
Unrestricted	<u>227,629</u>
<b>Total net assets</b>	<u><u>\$ 6,595,534</u></u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>EXPENSES:</b>					
Governmental activities:					
Education	\$ (5,552,342)	\$ 34,344	\$ 1,631,694	\$ -0-	\$ (3,886,304)
Total governmental activities	<u>\$ (5,552,342)</u>	<u>\$ 34,344</u>	<u>\$ 1,631,694</u>	<u>\$ -0-</u>	<u>(3,886,304)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					23,892
Property taxes, levied for debt service					291,873
Property taxes, levied for capital projects					96,860
State equalization guarantee					3,192,838
Other local revenue					4,675
Interest and investment earnings					<u>6,721</u>
Subtotal, general revenues					<u>3,616,859</u>
Change in net assets					(269,445)
Net assets - beginning of year					<u>6,864,979</u>
Net assets - end of year					<u>\$ 6,595,534</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**AS OF JUNE 30, 2010**

	<u>General Fund</u>	<u>Food Service</u>	<u>Debt Service</u>	<u>Bond Building</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 75,556	\$ 26,462	\$ 238,496	\$ 92,215
Property taxes receivable	7,200		72,000	
Due from grantor				
Due from other funds				248,486
Inventory		1,657		
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 82,756</u>	<u>\$ 28,119</u>	<u>\$ 310,496</u>	<u>\$ 340,701</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Due to other funds	\$ -0-			
Accounts payable and accrued liabilities	-0-			
Deferred revenue - grants				
Deferred revenues - property taxes	6,707		\$ 65,892	
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>6,707</u>	<u>\$ -0-</u>	<u>65,892</u>	<u>\$ -0-</u>
Fund balances:				
Reserved for:				
Inventories		1,657		
Debt service			244,604	
Unreserved:				
Designated				
Undesignated, reported in:				
General Fund	76,049			
Special Revenue Funds		26,462		
Capital Projects Funds				340,701
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balances	<u>76,049</u>	<u>28,119</u>	<u>244,604</u>	<u>340,701</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><b>\$ 85,756</b></u>	<u><b>\$ 28,119</b></u>	<u><b>\$ 310,496</b></u>	<u><b>\$ 340,701</b></u>

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

---

Other Governmental Funds	Total
\$ 295,248	\$ 727,977
21,600	100,800
248,486	248,486
	248,486
	1,657
<u>565,334</u>	<u>1,327,406</u>
\$ 248,486	\$ 248,486
	-0-
72,684	72,684
<u>19,568</u>	<u>92,167</u>
<u>340,738</u>	<u>413,337</u>
	1,657
	244,604
	76,049
88,127	114,589
<u>136,469</u>	<u>477,170</u>
<u>224,596</u>	<u>914,069</u>
<u>\$ 565,334</u>	<u>\$ 1,327,406</u>

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET ASSETS**  
**AS OF JUNE 30, 2010**

---

Total fund balances - governmental funds \$ 914,069

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

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

The cost of capital assets is:	\$ 11,006,428	
Accumulated depreciation is:	<u>(3,689,886)</u>	7,316,542

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.	92,167
---	--------

Bond issuance costs are expensed for fund financial statements but amortized for government-wide financial statements. Bond issuance costs net of accumulated amortization were:	61,437
--	--------

Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of:

Bonds payable	\$ (1,785,000)	
Compensated absences payable	<u>(3,681)</u>	<u>(1,788,681)</u>

Total net assets-governmental activities	<u>\$ 6,595,534</u>
--	---------------------

---

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

This page intentionally left blank.

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	General Fund	Food Service	Debt Service	Bond Building
<b>REVENUES:</b>				
Local taxes	\$ 23,911		\$ 292,275	
State sources	3,479,072			
Federal sources	8,081	\$ 130,784		
Charges for services	-0-	8,196		
Other local revenue	4,002	25		
Interest	6,580	119	22	
<b>Total Revenues</b>	<u>3,521,646</u>	<u>139,124</u>	<u>292,297</u>	<u>\$ -0-</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	1,929,192			
Support services-students	370,695			
Support services- instruction	146,755			
Support services-general administration	178,649			
Support services				
-school administration	261,472			
Central services	47,364		2,919	
Operation and maintenance of plant	450,993			
Student transportation	279,455			
Food services operations		141,970		
Community service operations				
Debt service- principal and interest			300,322	
Debt service- bond issuance costs				
Capital outlay	12,049			
<b>Total Expenditures</b>	<u>3,676,624</u>	<u>141,970</u>	<u>303,241</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	<u>(154,978)</u>	<u>(2,846)</u>	<u>(10,944)</u>	<u>-0-</u>
Other financing sources (uses):				
Issuance of general obligation bonds				-0-
Operating transfers in (out)				
Total other financing sources (uses)				<u>-0-</u>
Net changes in fund balances	(154,978)	(2,846)	(10,944)	-0-
Fund balances - beginning of year	231,027	30,965	255,548	340,701
Fund balances - End of year	<u>\$ 76,049</u>	<u>\$ 28,119</u>	<u>\$ 244,604</u>	<u>\$ 340,701</u>

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

---

Other Governmental Funds	Total Governmental Funds
\$ 96,955	\$ 413,141
260,443	3,739,515
946,152	1,085,017
26,148	34,344
648	4,675
<u>-0-</u>	<u>6,721</u>
 1,330,346	 5,283,413
 770,033	 2,699,225
84,062	454,757
27,206	173,961
48,343	226,992
 29,647	 291,119
70,265	120,548
120,800	571,793
	279,455
	141,970
	-0-
	300,322
 <u>190,151</u>	 <u>202,200</u>
 <u>1,340,507</u>	 <u>5,462,342</u>
 <u>(10,161)</u>	 <u>(178,929)</u>
	-0-
<u>-0-</u>	<u>-0-</u>
	-0-
<u>-0-</u>	<u>-0-</u>
 (10,161)	 (178,929)
 <u>234,757</u>	 <u>1,092,998</u>
 <u>\$ 224,596</u>	 <u>\$ 914,069</u>

---



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES - GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2010**

---

Total net change in fund balances - governmental funds. \$ 178,929

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net 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 in the period.

Depreciation expense	(308,968)	
Capital outlays during the year which were capitalized	12,049	
(Deficiency)Excess of capital outlay over depreciation expense		(296,919)

In the Statement of Activities, certain operating expenses - compensated absences payable - are measured by the amounts incurred during the year. In the fund financial statements, however, expenditures are measured by the amount of financial resources used (essentially the amounts actually paid). The (increases) decreases in the liabilities for the year were:

Compensated absences payable	2,011
------------------------------	-------

Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities. 215,000

Because some property taxes will not be collected for several months after the fiscal year end, they are not considered available revenues in the governmental funds, and are instead counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities. The change in the liability for the year was: (516)

Issuance of general obligation bonds is an other financing source in the governmental funds, but is a liability in the government-wide financial statements -0-

Bond issuance costs are an expenditure in the governmental funds but are amortized in the government-wide financial statements	-0-
-Bond issuance costs incurred in current fiscal year	-0-
-Current year amortization	(10,092)

Change in net assets of governmental activities	\$ (269,445)
---	--------------

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Property taxes	\$ 22,655	\$ 22,655	\$ 23,892	\$ 1,237
State sources	3,618,289	3,479,845	3,479,072	(823)
Federal sources	7,824	7,824	8,081	257
Charges for services	-0-	-0-	-0-	-0-
Other local revenue	25,000	25,000	4,002	(20,998)
Interest	10,000	10,000	6,580	(3,420)
Total revenues	<u>3,683,768</u>	<u>3,545,374</u>	<u>3,521,627</u>	<u>(23,747)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	2,007,223	1,986,096	1,929,192	56,904
Support services-students	404,000	387,000	382,744	4,256
Support services- instruction	126,290	151,858	146,755	5,100
Support services-general administration	278,208	237,837	178,649	59,183
Support services -school administration	274,458	264,708	261,472	3,236
Central services	94,640	67,140	47,364	19,776
Operation and maintenance of plant	660,050	612,240	503,706	108,534
Student transportation	279,921	279,525	219,455	70
Other support services	2,808	2,808	-0-	2,808
Food services operations	19,079	19,079	-0-	19,029
Total expenditures	<u>4,146,677</u>	<u>4,008,183</u>	<u>3,729,337</u>	<u>278,946</u>
Excess (deficiency) of revenues over expenditures	(462,909)	(462,909)	<u>\$ (207,710)</u>	<u>\$ 255,199</u>
Prior year cash available to balance budget	<u>276,291</u>	<u>276,291</u>		
Amount of shortfall	<u>\$ 186,618</u>	<u>\$ 186,618</u>		

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS - FOOD SERVICE)  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ 38,769	\$ 38,769	\$ 121,959	\$ 83,190
Charges for services	127,206	127,206	8,196	(119,010)
Other local revenue	-0-	-0-	25	25
Interest	2,500	2,500	119	(2,381)
Total revenues	<u>168,475</u>	<u>168,475</u>	<u>130,299</u>	<u>(38,176)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations	175,501	175,501	132,528	42,973
Total expenditures	<u>175,501</u>	<u>175,501</u>	<u>132,528</u>	<u>42,973</u>
Excess (deficiency) of revenues over expenditures	(7,026)	(7,026)	<u>\$ (2,229)</u>	<u>\$ 4,797</u>
Prior year cash required to balance budget	<u>\$ 7,026</u>	<u>\$ 7,026</u>		

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	\$ 39,098
Total assets	<u>\$ 39,098</u>
<b>LIABILITIES</b>	
Deposits held for others	\$ 39,098
Total liabilities	<u>\$ 39,098</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**NOTES TO FINANCIAL STATEMENTS**  
**AS OF JUNE 30, 2010**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Mountainair Public Schools (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***

The Mountainair Public School Board was created under the provision of Section 22-5-4 (NMSA, 1978 Comp.) 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 Board selects a superintendent who administers the District.

GASB Statement No. 14 established criteria for determining the governmental 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 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. *Basic Financial Statements - GASB Statement #34***

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. The new reporting model focus is on either the District as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type activities. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The District did not have any business-type activities during the year ended June 30, 2010.

Since the District does not have any business-type activities, but only governmental activities, the District's policy is not to apply any FASB pronouncements issued after November 30, 1989 in its

government-wide financial statements, but only those issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.

The government-wide Statement of Activities reflects both the gross and net cost per functional category. The District reports one function (education). The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenues (taxes, intergovernmental revenues, interest income, etc.). Historically, the previous mode did not summarize or present net cost by function or activity. The District does not currently employ indirect cost allocation systems.

This government-wide focus is more on the sustainability of the District as an entity and in aggregate financial position resulting from the activities of the current fiscal period.

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on the major funds in either the governmental or business-type categories. Nonmajor funds (by category) are summarized into a single column.

The governmental fund statements are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Districts actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column on the governmental-wide presentation.

Internal activity between the various funds is eliminated in the government-wide financial statements. Interfund receivables and payables at June 30, 2010 have been eliminated. These consist of amounts titled "Due from other funds" and "Due to other funds" in the fund financial statements.

The District's fiduciary funds (agency funds) are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. If the District had any component units similar to fiduciary funds, they would not be incorporated into the government-wide financial statements.

### ***C. Basis of Presentation***

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and description of each existing fund type follow.

### **Governmental Funds**

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 general fixed assets, and the servicing of general long-term debt. Governmental funds include:

General fund - the primary operating fund of the District accounts for all financial resources, except those required to be accounted for in other funds.

Special revenue funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt service funds - account for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

Capital projects funds - account for the acquisition of capital 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:

Food Service Special Revenue Fund - 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.

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

Bond Building Capital Projects Fund - This fund is used to account for the erecting, remodeling, making additions to and furnishing school buildings and purchasing and improving school grounds. Funding is provided by issuance of general obligations bonds.

### **Fiduciary Funds**

*Fiduciary funds* account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District. The District only had agency funds during the year ended June 30, 2010.

*Agency funds* are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School activity fund - accounts for assets held by the District as an agent for the individual schools and school organizations.

#### ***D. Basis of Accounting***

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied. The Government-wide Financial Statements and the Fiduciary Fund Financial Statements are presented on an accrual basis of accounting. The Governmental Funds in the Fund Financial Statements are presented on a modified accrual basis.

Accrual Basis - Under the accrual basis of accounting, revenues are recorded when earned and expenditures are recorded when incurred.

Modified Accrual - All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers all property tax revenues available if they are collected within 60 days of year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Property taxes are recognized when levied. Reimbursement receivables are recognized when the related expenditures are incurred. Other receipts and taxes become measurable and available when cash is received by the District and are recognized as revenue at that time.

In applying the "susceptible to accrual" concept to intergovernmental revenues, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

#### ***E. Budgets and Budgetary Accounting***

Formal budgetary integration is employed as a management control device during the year.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis inconsistent with accounting principles generally accepted in the United States of America (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on this non-GAAP budgetary basis.

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of the Public Education Department) the local school board submits to the School Budget Planning Unit (SBPU) of the New Mexico Public Education Department an estimated budget for the school district for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the Public Education Department by the school district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed operating budget will be reviewed and approved by the SBPU 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 operating budget will be used by the District until it has been notified that the budget has been approved by the SBPU 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.
4. 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 SBPU.
5. No school board or officer or employee of a school district shall make any expenditures or incur any obligation for the expenditure of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division, but this does not prohibit the transfer of funds between line items within a series of a budget.
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.
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 the District 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 any amendments.

***F. Encumbrances***

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Encumbrances lapse at the fiscal year end and are therefore not included as a reservation of fund balance. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

***G. Assets, Liabilities and Fund Equity***

**1. Cash**

The District is authorized under the provisions of Chapter 6, Article 10, Paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

**2. Investments**

All money not immediately necessary for the public uses of the District may be invested in:

- (a) Bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within the last five years preceding; or

- (b) Securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.
- (c) In contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor.
- (d) The District may invest its money with the New Mexico State Treasurer's short-term investment pool. Such money will not be invested in the State Treasurer's short-term investment pool for a period greater than 181 days.
- (e) The District may invest funds in the New Mexico State Treasurer's Local Government Investment Pool (Pool). The Pool's investments are U.S. term overnight repurchase agreements. Interest rates fluctuate depending upon the investments in the Pool.

### 3. Accounts Receivable

Accounts receivable are recorded in the various governmental funds. They consist of amounts receivable from local governments relating to various grant agreements and property taxes receivable. Property taxes receivable are shown net an allowance for uncollectibles. The allowance is equal to 10% of outstanding property taxes at June 30, 2010.

### 4. Inventories

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Food Services Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported 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.

### 5. Capital Assets

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair value at the date of donation. Software which meets the capitalization requirement is also capitalized. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The District does not capitalize interest in regards to its capital assets. Library books have been capitalized and are depreciated as a group.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Land improvements	20 years
Buildings & building improvements	40 years
Machinery and equipment, including	

computer equipment and software	3 to 10 years
Autos and vehicles	10 years
Library books	10 years

GASB Statement #34 requires the recording and depreciation of infrastructure assets, which include roads, bridges, traffic signals, etc. The District did not own any infrastructure assets as of June 30, 2010.

**6. Deferred Revenues**

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

**7. Compensated Absences**

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. 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.

**8. Long-term Liabilities**

For district-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

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 an other 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.

**9. Fund Balances of Fund Financial Statements**

Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The District designates the portion of the year end fund balance, not otherwise designated or reserved, for subsequent years' expenditures. These designations are established to earmark resources for specific future use and to indicate that the fund equity does not represent available spendable resources.

**10. Restricted Net Assets**

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets used are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

The Invested in Capital Assets, net of related debt consists of the portion of net assets which is associated with non-liquid capital assets less any outstanding related debt.

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.

#### **11. 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 nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

#### **12. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### **13. Bond Issuance Costs**

The costs of issuing bonds are capitalized in the government-wide financial statements and are amortized over the life of the related general obligation bonds payable.

#### **14. Property Taxes**

Property taxes are recognized when levied. Derived tax revenues are recognized when the exchange transaction takes place. Property tax and interest revenue are susceptible to accrual. Gross receipt taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. These are generally received within 60 days of year end. Other receipts and taxes become measurable and available when cash is received by the District and are recognized as revenue at that time.

The County property tax bills must be mailed by November 1<sup>st</sup>, the first half of the assessed tax is due November 10<sup>th</sup> and becomes delinquent December 10<sup>th</sup>, the second half of the assessed tax becomes due April 10<sup>th</sup> and becomes delinquent May 10<sup>th</sup>. The applicable property is subject to lien and penalties and interest are assessed when property taxes become delinquent. When property taxes are delinquent three years, the property is transferred to the State Property Tax Department for public sale.

## **2. CASH AND INVESTMENTS**

### **A. Pledged Collateral Requirement**

The District deposits its funds with various financial institutions. The District may invest in U.S.

Treasury obligations but did not during the year ended June 30, 2010. New Mexico statute Section 6-10-17, 1978, provides that deposits of public monies in financial institutions must be secured by pledged collateral in an aggregate value equal to one-half of the amount of the public monies deposited after deducting the amount of Federal Deposit Insurance Corporation insurance coverage for each financial institution. A schedule detailing the collateral pledged to the District's deposits is located in the back of this report.

B. Custodial Credit Risk

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned. The District's policy is to comply with Section 6-10-17, NMSA 1978. As of June 30, 2010, \$217,764 of the District's bank balance was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 217,764
--------------------------------	------------

C. Investments

Investments are cash deposited into savings accounts. These amounts are considered equivalent to cash.

D. Summary of Cash and Investments

Cash and investments are reported in each fund if the fund has a positive balance. If the fund has a negative balance, the negative balance is reported as a due from/ due to between the fund which loaned the monies and the fund which borrowed the monies.

A reconciliation of cash and investments follows:

Total cash and investments on deposit, all financial institutions	\$	1,173,554
Less: Outstanding checks and warrants		(406,479)
Total cash	\$	767,075
Per financial statements:		
All government funds	\$	727,977
Agency funds		39,098
Total	\$	767,075

3. **DUE FROM/ DUE TO BALANCES**

As of June 30, 2010, several funds had borrowed from the Bond Building Capital Projects Fund in order to avoid negative cash balances.

	Due From Other Funds	Due To Other Funds
Major fund:		
Bond Building Capital Projects Fund	\$ 248,486	
Non-major Special Revenue Funds		\$ 248,486
Total	\$ 248,486	\$ 248,486

These balances have been eliminated during the preparation of the government-wide financial statements.

**4. INVENTORY**

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. The reported 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.

Inventories at June 30, 2010, consisted of the following:

Special Revenue Fund:

Food Service	\$ 1,657
Total	<u>\$ 1,657</u>

**5. RECEIVABLES**

Receivables at June 30, 2010, consisted of the following:

	<u>General</u>	<u>Food Service</u>	<u>Debt Service</u>	<u>Bond Building</u>	<u>Other Governmental Funds</u>
Prop. taxes receivable	\$ 7,200	\$ -0-	\$ 72,000	\$ -0-	\$ 21,600
Due from grantor					<u>248,486</u>
Total	<u>\$ 7,200</u>	<u>\$ -0-</u>	<u>\$ 72,000</u>	<u>\$ -0-</u>	<u>\$ 270,086</u>

Property taxes receivable are shown net of an allowance for uncollectible taxes of 10% of outstanding property taxes at year end. All other amounts are considered to be fully collectible. Property taxes not received within 60 days of the fiscal year end are shown as deferred property taxes in the fund financial statements.

## 6. CAPITAL ASSETS

The District's capital assets were as follows for the year ended June 30, 2010:

	Balance June 30, 2009	Additions	Deletions	Transfers	Balance June 30, 2010
Assets not being depreciated:					
Land	\$ 57,583	\$ -0-	\$ -0-	\$ -0-	\$ 57,583
Construction-in progress	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total assets not being depreciated	<u>57,583</u>	<u>-0-</u>	<u>-0-</u>		<u>57,583</u>
Assets being depreciated:					
Land improvements	741,337	-0-	-0-	-0-	741,337
Buildings and improvements	8,798,928	-0-	-0-	-0-	8,798,928
Machinery and equipment	999,309	-0-	-0-	-0-	999,309
Library books	<u>397,222</u>	<u>12,049</u>	<u>-0-</u>	<u>-0-</u>	<u>409,271</u>
Total assets being depreciated	<u>10,936,796</u>	<u>12,049</u>			<u>10,948,845</u>
Total assets	<u>10,994,379</u>	<u>12,049</u>	<u>-0-</u>	<u>-0-</u>	<u>11,006,428</u>
Less Accumulated depreciation for:					
Land improvements	(117,514)	(37,038)	-0-	-0-	(154,552)
Buildings and improvements	(2,247,734)	(194,539)	-0-	-0-	(2,442,273)
Machinery and equipment	(723,647)	(37,073)	-0-	-0-	(760,720)
Library books	<u>(292,023)</u>	<u>(40,318)</u>	<u>-0-</u>	<u>-0-</u>	<u>(332,341)</u>
Total accumulated depreciation	<u>(3,380,918)</u>	<u>(308,968)</u>	<u>-0-</u>	<u>-0-</u>	<u>(3,689,886)</u>
Total accumulated depreciation	<u>\$ 7,613,461</u>	<u>\$ (296,919)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 7,316,542</u>

For the year ended June 30, 2010 depreciation expense of \$308,968 was charged to the Governmental Activities-Education of the District. Land assets, totaling \$57,583 were not charged with depreciation in accordance with accounting principles generally accepted in the United States of America.

## 7. LONG-TERM LIABILITIES

### A. Changes in Long-Term Liabilities

During the year ended June 30, 2010, the following changes occurred in the liabilities reported in the government-wide Statement of Net Assets:

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010	Due Within One Year	Amounts considered Long-Term
Bonds payable	\$ 2,000,000	\$ -0-	\$ (215,000)	\$ 1,785,000	\$ 245,000	\$ 1,540,000
Compensated absences payable	<u>5,692</u>	<u>5,055</u>	<u>(7,066)</u>	<u>3,681</u>	<u>3,681</u>	
Total	<u>\$ 2,005,692</u>	<u>\$ 5,055</u>	<u>\$ (222,066)</u>	<u>\$ 1,788,681</u>	<u>\$ 248,681</u>	<u>\$ 1,540,000</u>

General obligation bonds are repaid with property taxes which are collected by the Debt Service Fund.

In prior years, the General Fund has been used to pay accrued compensated absences and will likely continue to do so.

**B. General Obligation Bonds**

General obligation bonds, authorized by the voters of the District, are issued for the purposes of erecting, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds. The following is a list of bonds issued and outstanding at June 30, 2010.

Series	Amount of Original Issue	Final Mat. Year Ending June 30	Range of Interest Rates	Balance July 1, 2009	Addition (Retired)	Balance June 30, 2010
July 1, 1998	\$ 580,000	2010	4.85 - 5.30%	\$ 200,000	\$ (200,000)	\$ -0-
Oct 1, 2000	425,000	2014	4.90 - 5.10%	425,000	-0-	425,000
Oct 1, 2002	75,000	2013	4.35 - 4.60%	75,000	-0-	75,000
May 11, 2007	750,000	2016	2.72 - 2.82%	750,000	(15,000)	735,000
Oct 15, 2008	550,000	2018	3.85 - 5.00%	550,000	-0-	550,000
Total				<u>\$ 2,000,000</u>	<u>\$ (215,000)</u>	<u>\$ 1,785,000</u>

The annual debt service requirements to maturity for general obligation bonds at June 30, 2010 are as follows:

Year ending June 30	Principal	Interest	Total
2011	\$ 245,000	\$ 63,932	\$ 308,932
2012	220,000	53,837	273,837
2013	355,000	43,970	398,970
2014	265,000	33,314	298,314
2015	250,000	24,182	274,182
Subtotal	1,335,000	219,235	1,554,235
2016-2018	450,000	51,315	501,315
Total	<u>\$ 1,785,000</u>	<u>\$ 270,550</u>	<u>\$ 2,055,550</u>

Interest expenditures included in direct expenses for the year ended June 30, 2010 were \$73,642.

**8. CONTINGENT LIABILITIES**

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

**9. INSURANCE COVERAGE**

The District is insured through the New Mexico Public School Insurance Authority. Coverage provided includes all-peril on buildings and contents; crime coverage; general liability; civil rights and personal injury; motor vehicle and fleet property damage and liability; school bus property damage and liability



coverage; and statutory workmen's compensation coverage. The crime coverage portion of this insurance includes employee fidelity/faithful performance coverage up to \$250,000 each occurrence.

#### 10. BUDGET TO GAAP RECONCILIATION

The Statements of Revenues and Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis) present budget comparisons using cash basis revenues and expenditures, while the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds utilizes the modified accrual basis of accounting. The following is a reconciliation of revenues and expenditures between the statements:

	<u>General</u>	<u>Food Service</u>	<u>Debt Service</u>	<u>Bond Building</u>
Revenues per modified accrual basis	\$ 3,521,646	\$ 139,124	\$ 292,297	\$ -0-
Differences attributable to accruals at beginning and ending of year:				
Taxes receivable	(19)		(402)	
Intergovernmental receivables				
Deferred revenue				
Commodities received		<u>(8,825)</u>		
Revenues per budgetary basis	<u>\$ 3,521,627</u>	<u>\$ 130,299</u>	<u>\$ 291,895</u>	<u>\$ -0-</u>
Expenditures per modified accrual basis	\$ 3,676,624	\$ 141,970	\$ 303,241	\$ -0-
Differences attributable to accruals at beginning and ending of year:				
Accounts payable	52,713			
Changes in inventories		(617)		
Commodities used		(8,825)		
Board issuance costs				-0-
Expenditures per budgetary basis	<u>\$ 3,729,337</u>	<u>\$ 132,528</u>	<u>\$ 303,241</u>	<u>\$ -0-</u>

#### 11. ERB PENSION PLAN

Plan Description. Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11 NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple employer defined benefit retirement plan. The plan provides for retirement, disability 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, plan members were required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.4% of their gross salary. The District was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less and 10.9% of the gross covered salary of employees earning more than \$20,000 annually. The employer contribution is increasing by

.75% each year until effective July 1, 2011, the employer contribution will be 13.9% of the gross covered salary. The contribution requirements of the plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2010, 2009, and 2008, were \$282,704, \$276,123, and \$251,573, respectively, which equal the amount of the required contributions for each fiscal year.

**12. POST-EMPLOYMENT BENEFITS-STATE RETIREE HEALTH CARE PLAN**

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

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

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the year ended June 30, 2010, the statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee was required to contribute .65% of their salary. In the fiscal years ending June 30, 2011 through June 30, 2013, the contribution rate 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
FY11	1.666%	.833%
FY12	1.834%	.917%
FY13	2.000%	1.000%

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

The District's contributions to the RHCA for the years ended June 30, 2010, 2009 and 2008 were \$32,300, \$30,848, and \$30,023 respectively, which equal the required contributions for each year.

### **13. JOINT VENTURE**

Mountainair Public Schools is a member of Central Region Educational Cooperative, which was established by the New Mexico State Board of Education. This REC operates as an agency for school districts and provides cooperative services as its primary service. The REC administers several federal award programs for municipal schools. Central Region Educational Cooperative issues a separate, publicly available audited financial report that includes expenditures of federal awards and supplementary information. That report may be obtained by writing Central Region Educational Cooperative, P.O. Box 37440, Albuquerque, NM 87176.

**SUPPLEMENTAL SECTION**

## **GENERAL FUND**

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

Operational Account: Accounts for the general operations of the District.

Transportation Account: Accounts for the State funds received which are used for the transportation of students.

Instructional Materials Account: Accounts for the State funds received which are used to purchase instructional materials.

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING BALANCE SHEET - BY ACCOUNT - GENERAL FUND**  
**AS OF JUNE 30, 2010**

---

	<u>Operational Account</u>	<u>Transportation Account</u>	<u>Instructional Materials Account</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 68,064	\$ 5,283	\$ 2,209	\$ 75,556
Taxes receivable	7,200			7,200
	<u>75,264</u>	<u>5,283</u>	<u>2,209</u>	<u>82,756</u>
Total assets	<u>\$ 75,264</u>	<u>\$ 5,283</u>	<u>\$ 2,209</u>	<u>\$ 82,756</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>				
Liabilities:				
Accounts payable	\$ -0-			\$ -0-
Deferred revenue - property taxes	6,707			6,707
	<u>6,707</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>6,707</u>
Total liabilities	<u>6,707</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>6,707</u>
Fund Equity:				
Fund balances:				
Unreserved:				
Designated for subsequent year's expenditures				
Undesignated	68,557	5,283	2,209	76,049
	<u>68,557</u>	<u>5,283</u>	<u>2,209</u>	<u>76,049</u>
Total fund balances	<u>68,557</u>	<u>5,283</u>	<u>2,209</u>	<u>76,049</u>
Total liabilities and fund equity	<u>\$ 75,264</u>	<u>\$ 5,283</u>	<u>\$ 2,209</u>	<u>\$ 82,756</u>

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

---

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BY ACCOUNT - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	<b>Operational Account</b>	<b>Transportation Account</b>	<b>Instructional Materials Account</b>	<b>Total</b>
<b><u>REVENUES</u></b>				
Local taxes	\$ 23,911			\$ 23,911
State sources	3,192,838	\$ 273,725	\$ 12,509	3,479,072
Federal sources	8,081			8,081
Charges for services	-0-			-0-
Other local revenue	4,002			4,002
Interest	6,580			6,580
	<u>3,235,412</u>	<u>273,725</u>	<u>12,509</u>	<u>3,521,646</u>
Total revenues				
<b><u>EXPENDITURES</u></b>				
Current:				
Instruction	1,929,192			1,929,192
Support services-students	370,695			370,695
Support services- instruction	146,755			146,755
Support services-general administration	178,649			178,649
Support services -school administration	261,472			261,472
Central services	47,364			47,364
Operation and maintenance of plant	450,993			450,993
Student transportation	5,788	273,667		79,455
Food service operations	-0-			-0-
Capital Outlay	-0-		12,049	12,049
	<u>3,390,908</u>	<u>273,667</u>	<u>12,049</u>	<u>3,676,624</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	(155,496)	58	460	(154,978)
Other financing uses:				
Operating transfers in (out)				
Net changes in fund balances	(155,496)	58	460	(154,978)
Fund balances, beginning of year,	<u>224,053</u>	<u>5,225</u>	<u>1,749</u>	<u>231,027</u>
Fund balances, end of year	<u>\$ 68,557</u>	<u>\$ 5,283</u>	<u>\$ 2,209</u>	<u>\$ 76,049</u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND - OPERATIONAL ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Property taxes	\$ 22,655	\$ 22,655	\$ 23,892	\$ 1,237
State sources	3,332,113	3,194,115	3,192,838	(1,277)
Federal sources	7,824	7,824	8,081	257
Charges for services	-0-	-0-	-0-	-0-
Other local revenue	25,000	25,000	4,002	(20,998)
Interest	10,000	10,000	6,580	(3,420)
Total revenues	<u>3,397,592</u>	<u>3,259,594</u>	<u>3,235,393</u>	<u>(24,201)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	2,007,223	1,986,096	1,929,192	56,904
Support services-students	391,945	374,945	370,695	4,250
Support services- instruction	126,290	151,855	146,755	5,100
Support services-general administration	278,208	237,832	178,649	59,183
Support services -school administration	274,458	264,708	261,472	3,236
Central services	94,640	67,140	47,364	19,776
Operation and maintenance of plant	660,050	612,240	503,706	108,534
Student transportation	5,800	5,800	5,788	12
Other support services	2,808	2,808	-0-	2,808
Food services operations	19,079	19,079	-0-	19,079
Total expenditures	<u>3,860,501</u>	<u>3,722,503</u>	<u>3,443,621</u>	<u>278,882</u>
Excess (deficiency) of revenues over expenditures	(462,909)	(462,909)	<u>\$ (208,228)</u>	<u>\$ 254,681</u>
Prior year cash required to balance budget	<u>276,291</u>	<u>276,291</u>		
Amount of shortfall	<u>\$ 186,618</u>	<u>\$ 186,618</u>		
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (208,228)
Revenue- adjustments: Increase in current year property tax receivables				19
Expenditures- adjustments- Change in Accounts Payable between years				<u>52,713</u>
Net Changes in fund balances- GAAP				<u>\$ (155,496)</u>

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



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND - TRANSPORTATION ACCOUNT FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources	\$ 274,121	\$ 273,725	\$ 273,725	\$ -0-
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	274,121	273,725	273,725	-0-
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation	274,121	273,725	273,667	58
Food services operations				
Total expenditures	274,121	273,725	273,667	58
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ -0-	\$ 58	\$ 58
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 58
Revenue- adjustments				-0-
Expenditures- adjustments				-0-
Net Changes in fund balances- GAAP				\$ 58

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND - INSTRUCTIONAL MATERIALS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources	\$ 12,055	\$ 12,055	\$ 12,509	\$ 454
Federal sources				
Charges for services				
Other local revenue				
Interest				
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	12,055	12,055	12,509	454
	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services-students				
Support services- instruction	12,055	12,055	12,049	6
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	12,055	12,055	12,049	6
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ -0-	\$ 460	\$ 460
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 460
Revenue- adjustments				-0-
Expenditures- adjustments				<hr/> -0-
Net Changes in fund balances- GAAP				<hr/> \$ 460

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET - BY FUND TYPE**  
**AS OF JUNE 30, 2010**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 160,811	\$ 134,437	\$ 295,248
Due from grantor	248,486		248,486
Taxes receivable		21,600	21,600
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total revenues	<u>\$ 409,297</u>	<u>\$ 156,037</u>	<u>\$ 565,334</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>			
Liabilities:			
Due to other funds	\$ 248,486		\$ 248,486
Accounts payable			-0-
Deferred revenue - grants	72,684		72,684
Deferred revenue - property taxes		\$ 19,568	19,568
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>321,170</u>	<u>19,568</u>	<u>340,738</u>
Fund Equity:			
Fund balances:			
Unreserved:			
Designated for subsequent year's expenditures			
Undesignated	88,127	136,469	224,596
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balances	<u>88,127</u>	<u>136,469</u>	<u>224,596</u>
Total liabilities and fund equity	<u>\$ 409,297</u>	<u>\$ 156,037</u>	<u>\$ 565,334</u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BY FUND TYPE  
FOR THE YEAR ENDED JUNE 30, 2010**

	Special Revenue	Capital Projects	Total
<b><u>REVENUES</u></b>			
Local taxes		\$ 96,955	\$ 96,955
State sources	\$ 188,852	71,591	260,443
Federal sources	946,152		946,152
Charges for services	26,148		26,148
Other local revenue	648		648
Interest	-0-		-0-
Total revenues	<u>1,161,800</u>	<u>168,546</u>	<u>1,330,346</u>
<b><u>EXPENDITURES</u></b>			
Current:			
Instruction	770,033		770,033
Support services-students	84,062		84,062
Support services- instruction	27,206		27,206
Support services-general administration	48,343		48,343
Support services			
-school administration	29,647		29,647
Central services	70,265		70,265
Operation and maintenance of plant	120,800		120,800
Community services operations			
Capital outlay		190,151	190,151
Total expenditures	<u>1,150,356</u>	<u>190,151</u>	<u>1,340,507</u>
Excess (deficiency) of revenues over expenditures	<u>11,444</u>	<u>(21,605)</u>	<u>(10,161)</u>
Other financing sources			
Operating transfers in	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net changes in fund balances	11,444	(21,605)	(10,161)
Fund balances, beginning of year	<u>76,683</u>	<u>158,074</u>	<u>234,757</u>
Fund balances, end of year	<u>\$ 88,127</u>	<u>\$ 136,469</u>	<u>\$ 224,596</u>

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

## **NONMAJOR SPECIAL REVENUE FUNDS**

SPECIAL REVENUE FUNDS - are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specific purposes.

Athletics - To account for income from gross receipts and other proceeds from School athletic events and to provide for the payment of operating expenses of those activities. (SDE Regulation 6, NMAC 2.2).

Board Activity - To account for resources designated by the Board of Education. Authority is Board of Education Resolution.

Title I - Basic - To account for grant funds to be used for the purpose of improving educational opportunities for educationally deprived children. Funding authority is the U.S. Department of Education (P.L. 100-297).

IDEA-B Entitlement - To account for resources provided to the School for the purpose of meeting the educational needs of the handicapped. Funding authority is the U.S. Department of Education. (P.L. 94-142).

IDEA-B Discretionary - To account for discretionary funds provided under the Individuals with Disabilities Act. Funding authority is the U.S. Department of Education (P.L. 94-142).

CADRE - Special Education - To account for resources provided for the training of Special Education teachers. Funding authority is the U.S. Department of Education (P.L. 94-142).

IDEA-B Preschool - To account for the operations of supplementary aid to students with disabilities ages 5-21. Funding authority is the U.S. Department of Education (PL 99-457).

EETT (Enhancing Education Through Technology) - To account for resources provided to facilitate the greater use of computers in the classroom. Funding authority is the U.S. Department of Education (P. L. 94-142).

Title V-A - To improve educational opportunities for all children. (No Child Left Behind Act, Laws, 2002).

Teacher/Principal Training and Recruitment- To account for grant funds to be used for training and recruiting teachers and principals. (P.L. 100-297).

Title IV - A - To account for operations to promote drug use prevention education, intervention and rehabilitation referral in public schools. Funding authority is the U.S. Department of Education (P.L. 100-297).

21<sup>st</sup> Century – To account for resources provided to establish or expand community learning centers that provide academic enrichment opportunities to students and their families. Funding authority is the U. S. Department of Education (No Child Left Behind Act, 2001).

IDEA Technology/Renovations - To account for resources provided to facilitate the use of computers and to provide for the renovation of classrooms for Special Education. Funding authority is the U.S. Department of Education (P.L. 94-142).

Medicaid - To provide resources for the provision of medical services to children of low-income families. Funding authority is the U.S. Government.

Underage Drinking - To account for funds obtained to educate students about underage drinking problems. (Title IV, Part A, ESEA, 1965).

NMYCC - To account for funds used by students to beautify and landscape parks and school grounds. (New Mexico Youth Conservation Corps, established by state statute.) Funding authority is New Mexico Energy, Minerals, and Natural Resources Department.

Technology For Education - To account for resources to enable school districts to utilize computers for education. (22-15A-1, NMSA, 1978 Comp).

Incentives - To account for resources provided in accordance with the Incentives for School Improvement Act (Section 22-26-9, NMSA, 1978) to improve various school districts.

GO Bond and SB301 GO Bond - To account for resources provided by voter approval of a state general obligation (GO) bond issue for public school libraries. Authority is laws of 2004, Chapter 117.

CATCH Program - To account for funds provided to educate students about physical fitness and healthy lifestyles. (Coordinated Approach to Child Health). Authority is the State of New Mexico, Public Education Department.

Mentorship Program - To account for a state grant used to provide new teachers with experienced mentors. Funding provided through the State Department of Education. Authority is state statute.

School-Based Health Center - To account for resources provided by the State of New Mexico Department of Health to implement a school-based health center. Authority is laws of 2005.

Legislative Appropriations – To account for appropriations made by the Legislature. Authority is the Legislature.

NM Arts Grant – To account for an arts grants given by the State of New Mexico. Authority is the State of New Mexico, Public Education Department.

ARRA- Title I- Stimulus- To account for federal stimulus funds allocated to Title I. Authority is ARRA.

ARRA- IDEA –B Stimulus- To account for federal stimulus funds allocated to IDEA-B. Authority is ARRA.

ARRA- Operational Stimulus- To account for federal stimulus funds allocated to Operational Stimulus. Authority is ARRA.

2009 GO Student Library Funds- To account for library funds received from the state. Authority is the State of New Mexico Public Education Department.

2009 Dual Credit Instructional Materials- To account for instructional materials funds received from the state. Authority is the State of New Mexico Public Education Department.

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
AS OF JUNE 30, 2010**

	<u>Athletics</u>	<u>Board Activity</u>	<u>Title I - Basic</u>	<u>IDEA - B Entitlement</u>	<u>IDEA - B Discretionary</u>
<b><u>ASSETS</u></b>					
Cash	\$ 236	\$ 18,130			\$ 370
Due from grantor			\$ 100,641	\$ 29,663	
Total assets	<u>\$ 236</u>	<u>\$ 18,130</u>	<u>\$ 100,641</u>	<u>\$ 29,663</u>	<u>\$ 370</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>					
Liabilities:					
Due to other funds			\$ 100,641	\$ 29,663	
Accounts payable					
Deferred revenue - grants					\$ 370
Total liabilities	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>100,641</u>	<u>29,663</u>	<u>370</u>
Fund balances:					
Unreserved:					
Designated for subsequent year's expenditures					
Undesignated	236	18,130			
Total fund balances	<u>236</u>	<u>18,130</u>			
Total liabilities and fund equity	<u>\$ 236</u>	<u>\$ 18,130</u>	<u>\$ 100,641</u>	<u>\$ 29,663</u>	<u>\$ 370</u>

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

STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 AS OF JUNE 30, 2010

---

<u>CADRE - Special Education</u>	<u>IDEA-B Preschool</u>	<u>EETT</u>	<u>Title V-A</u>	<u>Teacher/ Principal Training and Recruitment</u>	<u>Title IV-A</u>	<u>21<sup>st</sup> Century</u>
\$ 7,879	\$ 2,296	\$ 2,257	\$ 634	\$ 34,448	\$ 1,619	\$ 169
<u>\$ 7,879</u>	<u>\$ 2,296</u>	<u>\$ 2,257</u>	<u>\$ 634</u>	<u>\$ 34,448</u>	<u>\$ 1,619</u>	<u>\$ 169</u>
	\$ 2,296	\$ 2,257	\$ 634	\$ 34,448	\$ 1,619	
<u>\$ 7,879</u>						<u>\$ 169</u>
<u>7,879</u>	<u>2,296</u>	<u>2,257</u>	<u>634</u>	<u>34,448</u>	<u>1,619</u>	<u>169</u>
<u>\$ 7,879</u>	<u>\$ 2,296</u>	<u>\$ 2,257</u>	<u>\$ 634</u>	<u>\$ 34,448</u>	<u>\$ 1,619</u>	<u>\$ 169</u>



**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS (continued)  
AS OF JUNE 30, 2010**

	<u>ARRA- IDEA-B Stimulus</u>	<u>ARRA Operational Stimulus</u>	<u>IDEA Technology/ Renovation</u>	<u>Medicaid</u>	<u>Underage Drinking</u>
<b><u>ASSETS</u></b>					
Cash			\$ 216	\$ 69,762	\$ 21
Due from grantor	\$ 10,664				
Total assets	<u>\$ 10,664</u>	<u>\$ -0-</u>	<u>\$ 216</u>	<u>\$ 69,762</u>	<u>\$ 21</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>					
Liabilities:					
Due to other funds	\$ 10,664				
Accounts payable					
Deferred revenue - grants			\$ 216		\$ 21
Total liabilities	<u>10,664</u>	<u>\$ -0-</u>	<u>216</u>	<u>\$ -0-</u>	<u>21</u>
Fund balances:					
Unreserved:					
Designated for subsequent year's expenditures					
Undesignated				69,762	
Total fund balances				<u>69,762</u>	
Total liabilities and fund equity	<u>\$ 10,664</u>	<u>\$ -0-</u>	<u>\$ 216</u>	<u>\$ 69,762</u>	<u>\$ 21</u>

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

STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS (continued)  
 AS OF JUNE 30, 2010

---

<u>NMYCC</u>	<u>Technology For Education</u>	<u>2009 GO Student Library Bonds</u>	<u>2009 Dual Credit Instructional Materials</u>	<u>ARRA- Title I Stimulus</u>	<u>Legislative Appropriations</u>
\$ 14,696	\$ 6,857	\$ 7,932	\$ 37	\$ 20,196	
<u>\$ 14,696</u>	<u>\$ 6,857</u>	<u>\$ 7,932</u>	<u>\$ 37</u>	<u>20,196</u>	<u>\$ -0-</u>
\$ 14,696		\$ 7,932	\$ 37	\$ 20,196	
	\$ 6,857				
<u>14,696</u>	<u>6,857</u>	<u>7,932</u>	<u>37</u>	<u>20,196</u>	<u>\$ -0-</u>
<u>\$ 14,696</u>	<u>\$ 6,857</u>	<u>\$ 7,932</u>	<u>\$ 37</u>	<u>\$ 20,196</u>	<u>\$ -0-</u>

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

---

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS (continued)  
AS OF JUNE 30, 2010**

	SB301 GO Bonds	Legislative Appropriation -After School Program	Incentives	GO Bond	CATCH Program
<b><u>ASSETS</u></b>					
Cash	\$ 705		\$ 6,571		\$ 4,084
Due from grantor				\$ 1,506	
Total assets	<u>\$ 705</u>	<u>\$ -0-</u>	<u>\$ 6,571</u>	<u>\$ 1,506</u>	<u>\$ 4,084</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>					
Liabilities:					
Due to other funds				\$ 1,506	
Accounts payable					
Deferred revenue - grants	\$ 705		\$ 6,571		\$ 4,084
Total liabilities	<u>705</u>	<u>\$ -0-</u>	<u>6,571</u>	<u>1,506</u>	<u>4,084</u>
Fund balances:					
Unreserved:					
Designated for subsequent year's expenditures					
Undesignated					
Total fund balances					
Total liabilities and fund equity	<u>\$ 705</u>	<u>\$ -0-</u>	<u>\$ 6,571</u>	<u>\$ 1,506</u>	<u>\$ 4,084</u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS (continued)  
AS OF JUNE 30, 2010**

<u>After School Enrollment Program</u>	<u>Schools On the Rise</u>	<u>Mentorship Program</u>	<u>School- Based Health Center</u>	<u>New Mexico Arts Grant</u>	<u>Total</u>
\$ 12,894	4,000	\$ 990	\$ 44,822	\$ 5,003	\$ 160,811
\$ 12,894	\$ 4,000	\$ 990	\$ 44,822	\$ 5,003	\$ 409,297
\$ 12,894	\$ 4,000			\$ 5,003	248,486
		\$ 990	\$ 44,822		-0-
12,894	4,000	990	44,822	5,003	\$ 72,684
					88,127
					88,127
\$ 12,894	\$ 4,000	\$ 990	\$ 44,822	\$ 5,003	\$ 409,297

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Athletics</u>	<u>Board Activity</u>	<u>Title 1 - Basic</u>	<u>IDEA - B Entitlement</u>	<u>IDEA - B Discretionary</u>
<b>REVENUES:</b>					
State sources					
Federal sources			\$ 318,181	\$ 157,361	
Charges for services	\$ 26,148				
Other local revenue	81	\$ 567			
Interest					
Total revenues	26,229	567	318,181	157,361	\$ -0-
<b>EXPENDITURES:</b>					
Current:					
Instruction	27,158	3,205	274,484	139,312	
Support services-students				18,049	
Support services- instruction			3,310		
Support services-general administration			2,387		
Support services -school administration					
Central services					
Operation and maintenance of plant			38,000		
Student transportation					
Community services operations					
Capital outlay					
Total expenditures	27,158	3,205	318,181	157,361	-0-
Excess (deficiency) of revenues over expenditures	(929)	(2,638)			
Other financing sources (uses):					
Operating transfers in (out)					
Net changes in fund balances	(929)	(2,638)			
Fund balances, beginning of year	1,164	20,768			
Fund balances, end of year	\$ 235	\$ 18,130	\$ -0-	\$ -0-	\$ -0-

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (continued)  
FOR THE YEAR ENDED JUNE 30, 2010**

<u>CADRE - Special Education</u>	<u>IDEA-B Preschool</u>	<u>EETT</u>	<u>Title V-A</u>	<u>Teacher/ Principal Training and Recreation</u>	<u>Title IV-A</u>	<u>21<sup>st</sup> Century</u>
	\$ 12,975		\$ 1,712	\$ 46,920	\$ 5,329	\$ 2,187
<u>\$ -0-</u>	<u>12,975</u>	<u>\$ -0-</u>	<u>1,712</u>	<u>46,920</u>	<u>5,329</u>	<u>2,187</u>
	12,975		1,712	46,920	2,359 2,970	2,187
<u>-0-</u>	<u>12,975</u>	<u>-0-</u>	<u>1,712</u>	<u>46,920</u>	<u>5,329</u>	<u>2,187</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (continued)  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>ARRA- IDEA-B Stimulus</u>	<u>ARRA- Operations Stimulus</u>	<u>IDEA Technology/ Renovation</u>	<u>Medicaid</u>	<u>Underage Drinking</u>
<b>REVENUES:</b>					
State sources				\$ 24,985	
Federal sources					
Charges for services	\$ 15,656	\$ 311,263			
Other local revenue					
Interest					
Total revenues	<u>15,656</u>	<u>311,263</u>	<u>\$ -0-</u>	<u>24,985</u>	<u>\$ -0-</u>
<b>EXPENDITURES:</b>					
Current:					
Instruction	15,656	125,517			
Support services-students				9,974	
Support services- instruction					
Support services-general administration		45,890			
Support services					
-school administration		28,674			
Central services		28,409			
Operation and maintenance of plant		82,800			
Student transportation					
Community services operations					
Capital outlay					
Total expenditures	<u>15,656</u>	<u>311,263</u>	<u>-0-</u>	<u>9,974</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures				15,011	
Other financing sources (uses):					
Operating transfers in (out)					
Net changes in fund balances				15,011	
Fund balances, beginning of year				54,751	
Fund balances, end of year	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 69,763</u>	<u>\$ -0-</u>

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

STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (continued)  
FOR THE YEAR ENDED JUNE 30, 2010**

---

<u>NMYCC</u>	<u>Technology For Education</u>	<u>2009 GO Student Library Bonds</u>	<u>2009 Dual Credit Instructional Materials</u>	<u>ARRA- Title I Stimulus</u>	<u>Legislature Appropriations</u>
\$ 41,856	\$ 1,334	\$ 7,932	\$ 37	\$ 74,568	
<u>41,856</u>	<u>1,334</u>	<u>7,932</u>	<u>37</u>	<u>74,568</u>	<u>-0-</u>
			37	67,034	
	1,268 66	7,932		7,534	
41,856					
<u>41,856</u>	<u>1,334</u>	<u>7,932</u>	<u>37</u>	<u>74,568</u>	<u>-0-</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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

---



**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (continued)  
FOR THE YEAR ENDED JUNE 30, 2010**

	SB301 GO Bonds	Legislative Appropriations -After School Program	Incentives	GO Bonds	CATCH Program
<b>REVENUES:</b>					
State sources			\$ 1,000		\$ 500
Federal sources					
Charges for services					
Other local revenue					
Interest					
Total revenues	\$ -0-	\$ -0-	1,000	\$ -0-	\$ 500
<b>EXPENDITURES:</b>					
Current:					
Instruction					
Support services-students					500
Support services- instruction					
Support services-general administration					
Support services -school administration			1,000		
Central services					
Operation and maintenance of plant					
Student transportation					
Community services operations					
Capital outlay					
Total expenditures	-0-	-0-	1,000	-0-	500
Excess (deficiency) of revenues over expenditures					
Other financing sources (uses):					
Operating transfers in (out)					
Net changes in fund balances					
Fund balances, beginning of year					
Fund balances, end of year	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (continued)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

<u>After School Enrollment Program</u>	<u>Schools on the Rise</u>	<u>Mentorship Program</u>	<u>School Based Health Center</u>	<u>New Mexico Arts Grant</u>	<u>Total</u>
\$ 46,396	\$ 4,000	\$ 3,240	\$ 52,569	\$ 5,003	\$ 188,852
					946,152
					26,148
					648
					-0-
<u>46,396</u>	<u>4,000</u>	<u>3,240</u>	<u>52,569</u>	<u>5,003</u>	<u>1,161,800</u>
		78		5,003	770,033
46,396		3,162	52,569		84,062
	4,000				27,206
					48,343
					29,647
					70,265
					120,800
					-0-
					-0-
					-0-
<u>46,396</u>	<u>4,000</u>	<u>3,240</u>	<u>52,569</u>	<u>5,003</u>	<u>1,150,356</u>
					11,444
					11,444
					76,683
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 88,127</u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - ATHLETICS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources				
Charges for services	\$ 25,000	\$ 25,000	\$ 26,229	\$ 1,229
Other local revenue				
Interest				
	<u>25,000</u>	<u>25,000</u>	<u>26,229</u>	<u>1,229</u>
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>26,229</u>	<u>1,229</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	34,122	34,122	27,158	6,964
Support services-students				
Support services-instruction				
Support services-general administration				
Support services				
-school administration				
Central service				
Operation and maintenance of plant				
Student transportation				
Food service operations				
	<u>34,122</u>	<u>34,122</u>	<u>27,158</u>	<u>6,964</u>
Total expenditures	<u>34,122</u>	<u>34,122</u>	<u>27,158</u>	<u>6,964</u>
Excess (deficiency) of revenues over expenditures	(9,122)	(9,122)	<u>\$ (929)</u>	<u>\$ 8,193</u>
Prior year cash balance available to balance budget	<u>1,164</u>	<u>1,164</u>		
Amount of shortfall	<u>\$ (7,958)</u>	<u>\$ (7,958)</u>		
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (929)
Revenue- adjustments				-0-
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ (929)</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - BOARD ACTIVITY**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
State sources				
Federal sources				
Charges for services				
Other local revenue	\$ 750	\$ 750	\$ 567	\$ (183)
Interest				
	<u>750</u>	<u>750</u>	<u>567</u>	<u>(183)</u>
Total revenues	<u>750</u>	<u>750</u>	<u>567</u>	<u>(183)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	23,091	23,091	3,205	19,886
Support services-students				
Support services-instruction				
Support services-general administration				
Support services				
-school administration				
Central service				
Operation and maintenance of plant				
Student transportation				
Food service operations				
	<u>23,091</u>	<u>23,091</u>	<u>3,205</u>	<u>19,886</u>
Total expenditures	<u>23,091</u>	<u>23,091</u>	<u>3,205</u>	<u>19,886</u>
Excess (deficiency) of revenues over expenditures	(22,341)	(22,341)	<u>\$ (2,638)</u>	<u>\$ 19,703</u>
Prior year cash balance available to balance budget	<u>20,768</u>	<u>20,768</u>		
Amount of shortfall	<u>\$ (1,573)</u>	<u>\$ (1,573)</u>		
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (2,638)
Revenue- adjustments				-0-
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ 2,638</u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - TITLE I - BASIC  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ 253,264	\$ 343,844	\$ 470,305	\$ 126,461
Charges for services				
Other local revenue				
Interest				
	<u>253,264</u>	<u>343,844</u>	<u>470,305</u>	<u>126,461</u>
Total revenues	<u>253,264</u>	<u>343,844</u>	<u>470,305</u>	<u>126,461</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	208,249	298,829	274,485	24,344
Support services-students				
Support services-instruction	4,000	4,000	3,309	691
Support services-general administration	2,410	2,410	2,387	23
Support services				
-school administration				
Central service				
Operation and maintenance of plant	38,605	38,605	38,000	605
Student transportation				
Food service operations				
	<u>253,264</u>	<u>343,844</u>	<u>318,181</u>	<u>25,663</u>
Total expenditures	<u>253,264</u>	<u>343,844</u>	<u>318,181</u>	<u>25,663</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 152,124</u>	<u>\$ 152,124</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 152,124
Revenue- adjustments: Change in Due from Grantor between years				(152,124)
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - IDEA-B ENTITLEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ 72,605	\$ 191,920	\$ 198,423	\$ 6,503
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>72,605</u>	<u>191,920</u>	<u>198,423</u>	<u>6,503</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	54,364	173,758	139,313	34,445
Support services-students	18,162	18,162	18,050	112
Support services-instruction				
Support services-general administration				
Support services				
-school administration				
Central service				
Operation and maintenance of plant				
Student transportation				
Food service operations				
Total expenditures	<u>72,526</u>	<u>191,920</u>	<u>157,363</u>	<u>34,557</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 79</u>	<u>\$ -0-</u>	<u>\$ 41,060</u>	<u>\$ 41,060</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 41,060
Revenue- adjustments: Change in Due from Grantor between years				(41,060)
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - IDEA-B PRESCHOOL  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ 7,821	\$ 20,050	\$ 10,680	\$ (9,370)
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>7,821</u>	<u>20,050</u>	<u>10,680</u>	<u>(9,370)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	7,821	20,050	12,976	7,074
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	<u>7,821</u>	<u>20,050</u>	<u>12,976</u>	<u>7,074</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (2,296)</u>	<u>\$ (2,296)</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (2,296)
Revenue- adjustments: Changes in Due from Grantor between years				2,296
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - TITLE V-A**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ -0-	\$ 1,712	\$ 1,712	\$ -0-
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>-0-</u>	<u>1,712</u>	<u>1,712</u>	<u>-0-</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	-0-	1,712	1,712	-0-
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	<u>-0-</u>	<u>1,712</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ -0-
Revenue- adjustments				-0-
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - TEACHER/ PRINCIPLE TRAINING AND RECRUITMENT FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ 42,722	\$ 56,563	\$ 20,907	\$ (35,656)
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>42,722</u>	<u>56,563-</u>	<u>20,907</u>	<u>(35,656)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	41,455	55,296	46,918	8,378
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration	1,267	1,267	-0-	1,267
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	<u>42,722</u>	<u>56,563</u>	<u>46,918</u>	<u>9,645</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (26,011)</u>	<u>\$ (26,011)</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (26,011)
Revenue- adjustments: Change in Due from Grantor between years				26,011
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - TITLE IV-A  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ 3,025	\$ 10,285	\$ 5,813	\$ (4,472)
Charges for services				
Other local revenue				
Interest				
	<u>3,025</u>	<u>10,285</u>	<u>5,813</u>	<u>(4,472)</u>
Total revenues	<u>3,025</u>	<u>10,285</u>	<u>5,813</u>	<u>(4,472)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	3,025	3,025	2,359	666
Support services				
Support services-students		7,260	2,970	4,290
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
	<u>3,025</u>	<u>10,285</u>	<u>5,329</u>	<u>4,956</u>
Total expenditures	<u>3,025</u>	<u>10,285</u>	<u>5,329</u>	<u>4,956</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 484</u>	<u>\$ 484</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 484
Revenue- adjustments: Change in Due from Grantor between years				(484)
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - 21<sup>ST</sup> CENTURY**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ -0-	\$ 2,236	\$ 3,606	\$ 1,370
Charges for services				
Other local revenue				
Interest				
Total revenues	-0-	2,236	3,606	1,370
<b>EXPENDITURES:</b>				
Current:				
Instruction		2,236	2,187	49
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	-0-	2,236	2,187	49
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ -0-	\$ 1,419	\$ 1,419
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 1,419
Revenue- adjustments: Change in deferred revenue between years				(1,419)
Expenditures- adjustments				-0-
Net Changes in fund balances- GAAP				\$ -0-

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - ARRA- IDEA-B ENTITLEMENT STIMULUS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ -0-	\$ 50,992	\$ 4,992	\$ (46,000)
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>-0-</u>	<u>50,992</u>	<u>4,992</u>	<u>(46,000)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction		50,992	15,656	35,336
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	<u>-0-</u>	<u>50,992</u>	<u>15,656</u>	<u>35,336</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (10,664)</u>	<u>\$ (10,664)</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (10,664)
Revenue- adjustments: Change in Due from Grantor between years				10,664
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - ARRA- OPERATIONAL STIMULUS FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ 239,571	\$ 311,263	\$ 311,263	\$ -0-
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>239,571</u>	<u>311,263</u>	<u>311,263</u>	<u>-0-</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	155,821	125,519	125,519	
Support services				
Support services-students				
Support services- instruction				
Support services-general administration		45,890	45,890	
Support services				
-school administration	22,750	28,647	28,647	
Central services	61,000	28,408	28,408	
Operation and maintenance of plant		82,799	82,799	
Student transportation				
Food services operations				
Total expenditures	<u>239,571</u>	<u>311,263</u>	<u>311,263</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ -0-
Revenue- adjustments				-0-
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - MEDICAID**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources	\$ -0-	\$ 45,857	\$ 24,985	\$ (20,872)
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>-0-</u>	<u>45,857</u>	<u>24,985</u>	<u>(20,872)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services				
Support services-students		45,857	9,974	35,883
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Community services operations				
Total expenditures	<u>-0-</u>	<u>45,857</u>	<u>9,974</u>	<u>35,883</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 15,011</u>	<u>\$ 15,011</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 15,011
Revenue- adjustments				-0-
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ 15,011</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - NMYCC**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
State sources	\$ 41,858	\$ 41,858	\$ 41,695	\$ (163)
Federal sources				
Charges for services				
Other local revenue				
Interest				
	<u>41,858</u>	<u>41,858</u>	<u>41,695</u>	<u>(163)</u>
Total revenues	<u>41,858</u>	<u>41,858</u>	<u>41,695</u>	<u>(163)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services	41,858	41,858	41,856	2
Operation and maintenance of plant				
Student transportation				
Food services operations				
	<u>41,858</u>	<u>41,858</u>	<u>41,856</u>	<u>2</u>
Total expenditures	<u>41,858</u>	<u>41,858</u>	<u>41,856</u>	<u>2</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (161)</u>	<u>\$ (161)</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (161)
Revenue- adjustments: Change in Due from Grantor between years				161
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - TECHNOLOGY FOR EDUCATION  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources		\$ 2,226	\$ 2,081	(145)
Federal sources				
Charges for services				
Other local revenue				
Interest				
<b>Total revenues</b>	<b>\$ -0-</b>	<b>2,226</b>	<b>2,081</b>	<b>\$ (145)</b>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services				
Support services-students	-0-			
Support services- instruction		1,326	1,268	58
Support services-general administration		900	66	834
Support services -school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
<b>Total expenditures</b>	<b>-0-</b>	<b>2,226</b>	<b>1,334</b>	<b>892</b>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 747</u>	<u>\$ 747</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 747
Revenue- adjustments: Change in deferred revenues between years				(747)
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - GO STUDENT LIBRARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
State sources	\$ -0-	\$ 9,845	\$ -0-	\$ (9,845)
Federal sources				
Charges for services				
Other local revenue				
Interest				
	<u>-0-</u>	<u>9,845</u>	<u>-0-</u>	<u>(9,845)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services				
Support services-students				
Support services- instruction		9,845	7,932	1,913
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
	<u>-0-</u>	<u>9,845</u>	<u>7,932</u>	<u>1,913</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>-0-</u>	<u>\$ (7,932)</u>	<u>\$ (7,932)</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (7,932)
Revenue- adjustments: Change in Due from Grantor between years				7,932
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DUAL CREDIT INSTRUCTIONAL MATERIALS FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ -0-	\$ 2,000	\$ -0-	\$ (2,000)
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>-0-</u>	<u>2,000</u>	<u>-0-</u>	<u>(2,000)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction		2,000	37	1,963
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	<u>-0-</u>	<u>2,000</u>	<u>37</u>	<u>1,963</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (37)</u>	<u>\$ 7,962</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (37)
Revenue- adjustments: Change in Due from Grantor between years				37
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - ARRA- TITLE I STIMULUS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources	\$ 74,639	\$ 148,501	\$ 54,372	\$ (94,129)
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>74,639</u>	<u>148,501</u>	<u>54,372</u>	<u>(94,129)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction	66,639	140,501	67,534	72,969
Support services				
Support services-students				
Support services- instruction	8,000	8,000	7,534	466
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	<u>74,639</u>	<u>148,501</u>	<u>75,068</u>	<u>73,433</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (20,696)</u>	<u>\$ (20,696)</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (20,696)
Revenue- adjustments; Change in Due from Grantor between years				20,696
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - LEGISLATIVE APPROPRIATIONS FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
State sources			\$ 94,234	\$ 94,234
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	\$ -0-	\$ -0-	94,234	94,234
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	-0-	-0-		
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 94,234</u>	<u>\$ 94,234</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 94,234
Revenue- adjustments				(94,234)
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - SB301 GO BONDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
State sources			\$ 910	\$ 910
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	\$ -0-	\$ -0-	910	910
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	-0-	-0-	-0-	-0-
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ -0-	\$ 910	\$ 910
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 910
Revenue- adjustments: Change in deferred revenue between years				(910)
Expenditures- adjustments				-0-
Net Changes in fund balances- GAAP				\$ -0-

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - LEGISLATIVE APPROPRIATIONS- AFTER SCHOOL PROGRAM FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources			\$ 35,598	\$ 35,598
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	\$ -0-	\$ -0-	35,598	35,598
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Total expenditures	-0-	-0-	-0-	-0-
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ -0-	\$ 35,598	\$ 35,598
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 35,598
Revenue- adjustments: Change in due from grantor				(35,598)
Expenditures- adjustments				-0-
Net Changes in fund balances- GAAP				-0-

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - INCENTIVES**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
State sources		\$ 1,000	\$ -0-	\$ (1,000)
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	<u>\$ -0-</u>	<u>1,000</u>	<u>-0-</u>	<u>(1,000)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration		1,000	1,000	-0-
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Capital outlay				
Total expenditures	<u>-0-</u>	<u>1,000</u>	<u>1,000</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (1,000)</u>	<u>\$ (1,000)</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (1,000)
Revenue- adjustments: Change in deferred revenue between years				1,000
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - CATCH PROGRAM**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources		\$ 500	\$ 500	\$ -0-
Charges for services				
Other local revenue				
Interest				
Total revenues	\$ -0-	500	500	-0-
<b>EXPENDITURES:</b>				
Current:				
Instruction		500	500	-0-
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Capital outlay				
Total expenditures	-0-	500	500	-0-
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Excess (deficiency) of revenues over Expenditures- budgetary				\$ -0-
Revenue- adjustments				-0-
Expenditures- adjustments				-0-
Net Changes in fund balances- GAAP				\$ -0-

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



**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - MENTORSHIP  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources		\$ 4,230	\$ 1,068	\$ (3,162)
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	\$ -0-	4,230	1,068	(3,162)
<b>EXPENDITURES:</b>				
Current:				
Instruction		1,068	78	990
Support services				
Support services-students				
Support services- instruction		3,162	3,162	-0-
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Capital outlay				
Total expenditures	-0-	4,230	3,240	990
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ -0-	\$ (2,172)	\$ (2,172)
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (2,172)
Revenue- adjustments: Change in deferred revenue between years				2,172
Expenditures- adjustments				-0-
Net Changes in fund balances- GAAP				\$ -0-

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - SCHOOL BASED HEALTH CENTER FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources	\$ 60,000	\$ 60,000	\$ 69,005	\$ 9,005
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	60,000	60,000	69,005	9,005
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services				
Support services-students	60,000	60,000	52,569	7,431
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Capital outlay				
Total expenditures	60,000	60,000	52,569	7,431
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ -0-	\$ 16,436	\$ 16,436
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 16,436
Revenue- adjustments: Change in deferred revenue between years				(16,436)
Expenditures- adjustments				-0-
Net Changes in fund balances- GAAP				\$ -0-

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - NEW MEXICO ARTS GRANT FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources		\$ 5,287	\$ 6,457	\$ 1,170
Federal sources				
Charges for services				
Other local revenue				
Interest				
<b>Total revenues</b>	<b>\$ -0-</b>	<b>5,287</b>	<b>6,457</b>	<b>1,170</b>
<b>EXPENDITURES:</b>				
Current:				
Instruction		5,287	4,994	293
Support services				
Support services-students				
Support services- instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food services operations				
Capital outlay				
<b>Total expenditures</b>	<b>-0-</b>	<b>5,287</b>	<b>4,994</b>	<b>293</b>
Excess (deficiency) of revenues over expenditures	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 1,463</b>	<b>\$ 1,463</b>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ 1,463
Revenue- adjustments: Change in Due from Grantor between years				(1,463)
Expenditures- adjustments				-0-
Net Changes in fund balances- GAAP				<b>\$ -0-</b>

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

## **DEBT SERVICE FUND**

DEBT SERVICE FUNDS - are used to account for accumulation of funds to service the debt obligations of the District.

Debt Service - To accumulate monies through District tax levies in order to provide for the payment of interest and principal on general obligation bonds. The funding authority is the State Department of Education. Reported as a major fund.

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - DEBT SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Local sources	\$ -0-	\$ 303,327	\$ 291,873	\$ (11,454)
State sources				
Federal sources				
Charges for services				
Other local revenue				
Interest			22	22
Total revenues	<u>-0-</u>	<u>303,327</u>	<u>291,895</u>	<u>(11,432)</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services-students				
Support services-instruction				
Support services-general administration		3,033	2,919	114
Support services -school administration				
Central service				
Operation and maintenance of plant				
Student transportation				
Food service operations				
Debt service		483,304	303,241	180,063
Total expenditures	<u>-0-</u>	<u>486,337</u>	<u>306,160</u>	<u>180,177</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>(183,010)</u>	<u>\$ (14,265)</u>	<u>\$ 168,745</u>
Prior year cash balance required to balance budget		<u>\$ 183,010</u>		

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

## **CAPITAL PROJECTS FUNDS**

CAPITAL PROJECTS FUNDS - are used to account for funds which are to be used to fund major capital acquisitions.

Bond Building - To account for the erecting, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds. Funding is provided by issuance of general obligation bonds. Reported as a major fund.

Public School Capital Outlay - To account for major additions to school buildings. Funding is provided by the State of New Mexico.

Special Capital Outlay - State - To account for special improvement projects for school grounds. Funding is provided by the State of New Mexico. Authority is Section 22-26-1, NMSA 1978.

Capital Improvements SB-9 - To account for the funding of major improvements to the District's facilities under provisions of the Public School Capital Improvements Act. Funding is derived from property tax revenues and from the State of New Mexico Public School Capital Improvement Fund.

**STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS  
AS OF JUNE 30, 2010**

---

	<u>Public School Capital Outlay</u>	<u>Special Capital Outlay - State</u>	<u>Capital Improvements SB-9</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 5,388	\$ 1,178	\$ 127,871	\$ 134,437
Taxes receivable			21,600	21,600
Total assets	<u>\$ 5,388</u>	<u>\$ 1,178</u>	<u>\$ 149,471</u>	<u>\$ 156,037</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>				
Liabilities:				
Due to other funds				
Accounts payable				
Deferred revenue - prop. Taxes			\$ 19,568	\$ 19,568
Total liabilities	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>19,568</u>	<u>19,568</u>
Fund equity:				
Fund balances:				
Unreserved:				
Designated for subsequent year's expenditures				
Undesignated	5,388	1,178	129,903	136,469
Total fund balances	<u>5,388</u>	<u>1,178</u>	<u>129,903</u>	<u>136,469</u>
Total liabilities and fund equity	<u>\$ 5,388</u>	<u>\$ 1,178</u>	<u>\$ 149,471</u>	<u>\$ 156,037</u>

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

---

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

---

	<u>Public School Capital Outlay</u>	<u>Special Capital Outlay - State</u>	<u>Capital Improvements SB-9</u>	<u>Total</u>
<b>REVENUES</b>				
Local taxes			\$ 96,955	\$ 96,955
State sources		\$ 33,002	38,589	71,591
Federal sources				
Other local revenue				
Interest				
Total revenues	\$ -0-	33,002	135,544	168,546
<b>EXPENDITURES</b>				
Capital outlay	-0-	33,002	157,149	190,151
Total expenditures	-0-	33,002	157,149	190,151
Net changes in fund balances	-0-	-0-	(21,605)	(21,605)
Fund balances, beginning of year	5,388	1,178	151,508	158,704
Fund balances, end of year	<u>\$ 5,388</u>	<u>\$ 1,178</u>	<u>\$ 129,903</u>	<u>\$ 136,469</u>

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

---



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - CAPITAL PROJECTS FUND - BOND BUILDING**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources				
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services-students				
Support services-instruction				
Support services-general administration				
Support services				
-school administration				
Central services				
Operation and maintenance of plant				
Student transportation				
Food service operations				
Facilities acquisition and construction				
Total expenditures	-0-	-0-	-0-	-0-
Excess (deficiency) of revenues over expenditures	-0-	-0-	-0-	-0-
Other financing sources				
Issuance of general obligation bonds	-0-	-0-	-0-	-0-
Change in fund balance after other financing sources	\$ -0-	\$ -0-	\$ -0-	\$ -0-

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - CAPITAL PROJECTS FUND - PUBLIC SCHOOL CAPITAL OUTLAY FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>				
State sources	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Federal sources				
Charges for services				
Other local revenue				
Interest				
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services-students				
Support services-instruction				
Support services-general administration				
Support services				
-school administration				
Central service				
Operation and maintenance of plant				
Student transportation				
Food service operations				
Facilities acquisition and construction				
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Excess (deficiency) of revenues over Expenditures- budgetary				\$ -0-
Revenue- adjustments				-0-
Expenditures- adjustments				<hr/> -0-
Net Changes in fund balances- GAAP				<u>\$ -0-</u>

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - CAPITAL PROJECTS FUND - SPECIAL CAPITAL OUTLAY**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
State sources		\$ 58,154	\$ 33,002	\$ (25,152)
Federal sources				
Charges for services				
Other local revenue				
Interest				
Total revenues	\$ -0-	58,154	33,002	(25,152)
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services-students				
Support services-instruction				
Support services-general administration				
Support services				
-school administration				
Central service				
Operation and maintenance of plant				
Student transportation				
Food service operations				
Facilities acquisition and construction				
Capital Outlay	-0-	56,154	33,002	25,152
Total expenditures	-0-	56,154	33,002	25,152
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ 2,000	\$ -0-	\$ -0-
Excess (deficiency) of revenues over Expenditures- budgetary				\$ -0-
Revenue- adjustments				-0-
Expenditures- adjustments				-0-
Net Changes in fund balances- GAAP				\$ -0-

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

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - CAPITAL PROJECTS FUND - CAPITAL IMPROVEMENTS - SB-9**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Property taxes				
State sources	\$ 38,589	\$ 41,759	\$ 38,589	\$ (3,170)
Federal sources				
Charges for services				
Other local revenue	91,847	91,847	96,860	5,013
Interest				
	<u>130,436</u>	<u>133,606</u>	<u>135,449</u>	<u>1,843</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction				
Support services-students				
Support services-instruction				
Support services-general administration	500	1,500	969	531
Support services				
-school administration				
Central service	-			
Operation and maintenance of plant				
Student transportation				
Food service operations				
Facilities acquisition and construction				
Capital Outlay	228,147	230,317	156,182	74,135
	<u>228,647</u>	<u>231,817</u>	<u>157,151</u>	<u>74,666</u>
Excess (deficiency) of revenues over expenditures	(98,211)	(98,211)	<u>\$ (21,702)</u>	<u>\$ 76,509</u>
Prior year cash required to balance budget	<u>\$ 98,211</u>	<u>\$ 98,211</u>		
Excess (deficiency) of revenues over Expenditures- budgetary				\$ (21,702)
Revenue- adjustments: Change in current property taxes rendered				97
Expenditures- adjustments				<u>-0-</u>
Net Changes in fund balances- GAAP				<u>\$ (21,605)</u>

The accompanying notes are an integral part of these financial statements

**OTHER SUPPLEMENTAL INFORMATION**

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF CASH RECONCILIATIONS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Operational Account 11000</u>	<u>Transportation Account 13000</u>	<u>Instructional Materials 14000</u>	<u>Food Services Account 21000</u>	<u>Athletics Account 22000</u>
Audited net cash and Investments, 6/30/09	\$ 276,291	\$ 5,225	\$ 1,749	\$ 28,691	\$ 1,164
Current year revenue	3,235,393	273,725	12,509	130,299	26,229
Loans from other funds					
Cash transfers in					
Prior-year warrants voided					
Current year expenditures	(3,443,620)	(273,667)	(12,049)	(132,528)	(27,158)
Loans to other funds					
Cash transfers out	_____	_____	_____	_____	_____
Total cash and investments 6/30/10	<u>\$ 68,064</u>	<u>\$ 5,283</u>	<u>\$ 2,209</u>	<u>\$ 26,462</u>	<u>\$ 235</u>

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF CASH RECONCILIATIONS (continued)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Non-Instruct. Fund 23000</u>	<u>Federal Flowthrough Fund 24000</u>	<u>Federal Direct Fund 25000</u>	<u>State Flowthrough Fund 27000</u>	<u>State Direct Fund 28000</u>
Audited net cash and Investments, 6/30/09	\$ 20,768	\$ (329,706)	\$ 54,772	\$ (114,700)	\$ (16,908)
Current year revenue	567	770,810	336,248	167,393	48,652
Loans from other funds		202,418		26,369	19,699
Cash transfers in					
Prior Year Warrants Voided					
Current year expenditures	(3,205)	(634,888)	(321,237)	(63,939)	(47,359)
Loans to other funds					
Cash transfers out					
Total cash and investments 6/30/10	<u>\$ 18,130</u>	<u>\$ 8,634</u>	<u>\$ 69,783</u>	<u>\$ 15,123</u>	<u>\$ 4,084</u>

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF CASH RECONCILIATIONS (continued)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Local/State Fund 29000</u>	<u>Bond Building 31100</u>	<u>Pub. School Cap. Outlay 31200</u>
Audited net cash and Investments, 6/30/09	\$ 27,642	\$ 340,701	\$ 5,388
Current year revenue	69,749	-0-	-0-
Loans from other funds			
Cash transfers in			
Prior year warrants voided			
Current year expenditures	(52,569)	-0-	-0-
Loans to other funds		(248,486)	
Cash transfers out			
Total cash and investments 6/30/10	<u>\$ 44,822</u>	<u>\$ 92,215</u>	<u>\$ 5,388</u>



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF CASH RECONCILIATIONS (continued)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

	<u>Spec. Cap. Outlay - State 31400</u>	<u>Cap. Improv. SB-9 31700</u>
Audited net cash and Investments, 6/30/09	\$ 1,178	\$ 149,571
Current year revenue	-0-	135,449
Loans from other funds		
Cash transfers in		
Prior year warrants voided		
Current year expenditures	-0-	(157,149)
Loans to other funds		
Cash transfers out		
Total cash and investments 6/30/10	<u>\$ 1,178</u>	<u>\$ 127,871</u>

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF CASH RECONCILIATIONS (continued)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Debt Service Fund 41000</u>	<u>Governmental</u>
Audited net cash and Investments, 6/30/09	\$ 249,842	\$ 701,668
Current year revenue	291,895	5,498,918
Loans from other funds		248,486
Cash transfers in		-0-
Prior year warrants voided		
Current year expenditures	(303,241)	(5,472,609)
Loans to other funds		(248,486)
Cash transfers out		-0-
Total cash and investments 6/30/10	<u>\$ 238,496</u>	<u>\$ 727,927</u>

	<u>Account Name</u>	<u>Type of Account</u>	<u>Bank Balance, June 30, 2010</u>	<u>Reconciled Balance, June 30, 2010</u>
My Bank, Belen, NM	General Operating	Checking	\$ 314,105	\$ 283,740
	School Lunch	Checking	76,334	26,462
	Payroll Clearing	Checking	304,785	-0-
	Bond Proceeds	Savings	362,547	340,701
	High School Activities	Checking	29,148	29,537
	Elementary Activities	Checking	9,796	9,796
	Investment	Savings	66,302	66,302
	Investment	Savings	<u>10,537</u>	<u>10,537</u>
			<u>\$ 1,173,554</u>	<u>\$ 767,075</u>
Cash and investments per financial statements:				
	All governmental funds			\$ 727,977
	Agency funds			39,098
	Total			<u>\$ 767,075</u>

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF PLEDGED COLLATERAL**  
**JUNE 30, 2010**

---

New Mexico statutes provide that deposits of public monies in financial institutions must be secured by pledged collateral in an aggregate value equal to one-half of the amount of the public monies deposited after deducting the amount of Federal Deposit Insurance Corporation insurance coverage for each financial institution.

Securities which are obligations of the State of New Mexico, its agencies, institutions, counties, or municipalities or other subdivisions are accepted as security at par value; all other securities are accepted as security at market value.

The following is a description of cash on deposit by financial institutions and the related pledged collateral at June 30, 2010:

My Bank, Belen, New Mexico:

Total bank deposits	\$ 1,173,554
Amount insured by FDIC	(500,000)
Uninsured public funds	<u>\$ 673,554</u>
50% Collateral requirement	<u>\$ 336,777</u>

Amount collateralized with the following securities held by The Independent Banker's Bank, Dallas, TX:

NOTE:	CUSIP#	MATURITY DATE	PAR	MARKET	PLEDGED VALUE
FFCB	31331GNC9	2/18/2014	\$ 400,000	\$ 404,632	404,632
FHLB	3133XNUUI	1/7/2015	50,000	52,207	<u>51,158</u>
Total pledged					<u>455,790</u>
Amount over(under) requirement at June 30, 2010					<u>\$ 119,013</u>

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**ALL AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2010</u>
<b><u>ASSETS</u></b>				
Cash	\$ 32,689	\$ 106,155	\$ (99,746)	\$ 39,098
Total assets	<u>\$ 32,689</u>	<u>\$ 106,155</u>	<u>\$ (99,746)</u>	<u>\$ 39,098</u>
<b><u>LIABILITIES</u></b>				
Deposits held for others	\$ 32,689	\$ 106,155	\$ (99,746)	\$ 39,098
Total liabilities	<u>\$ 32,689</u>	<u>\$ 106,155</u>	<u>\$ (99,746)</u>	<u>\$ 39,098</u>

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**COMBINING SCHEDULE OF CHANGES IN FIDUCIARY ASSETS**  
**ALL AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2010</u>
<b>STUDENT ACTIVITY FUNDS:</b>				
High School	\$ 16,538	\$ 86,800	\$ (74,036)	\$ 29,302
Elementary School	<u>16,151</u>	<u>19,355</u>	<u>(25,710)</u>	<u>9,796</u>
Total Student Activity Funds	<u>\$ 32,689</u>	<u>\$ 106,155</u>	<u>\$ (99,746)</u>	<u>\$ 39,098</u>

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF JOINT POWERS AGREEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

PARTIES INVOLVED: District and State of New Mexico, Public School Facilities Authority (PSFA)

RESPONSIBLE PARTY: PSFA

BEGINNING DATE: 12/6/06

ENDING DATE: 6/30/10

AMOUNT APPLICABLE: N/A

AMOUNT CONTRIBUTED: N/A

AMOUNT RESPONSIBILITY: District

NOTE: This joint power agreement does not have a monetary amount within it but enables PSFA to work with the District.

## **SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Pass-Through Number</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education</u>			
Passed through State of New Mexico Public Education			
Department:			
Cluster- Title I Grants:			
Title I – Basic	05-01	84.010	\$ 318,181
ARRA- Title I Stimulus	05-01	84.389	74,568
Cluster- Special Education- IDEA-B:			
IDEA-B Entitlement/Special Ed.	05-02	84.027	157,361
ARRA- IDEA-B Stimulus	05-02	84.391	15,656
IDEA-B Preschool	05-04	84.173	12,975
Teacher/Principal Training and Recruiting	05-06	84.367	46,920
Safe and Drug Free Schools	05-07	84.186	5,329
21 <sup>st</sup> Century	05-08	84.287	2,187
Title V- Innovative Ed. Pro Strategies	05-09	84.298	1,712
ARRA- Operational Stimulus	05-01	84.394	311,263
Total U.S. Department of Education			<u>946,152</u>
 <u>U.S. Department of Agriculture</u>			
Passed through State of New Mexico Department of Education:			
National School Lunch/Breakfast	N/A	10.555	121,959
 Passed through Statement of New Mexico			
Department of Human Services:			
U.S.D.A. Commodities	N/A	10.555	8,825
Total indirect-U.S. Department of Agriculture			<u>130,784</u>
 Direct:			
Forest Reserve	N/A	10.665	<u>8,081</u>
Total U.S. Department of Agriculture			<u>138,865</u>
Total Expenditures of Federal Awards			<u>\$ 1,085,017</u>
 Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:			
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds			
Federal sources			<u>\$ 1,085,017</u>



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

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

2. Non-Cash Assistance

The District expended \$8,825 worth of U.S.D.A. Commodities received for the year.

3. Subrecipients

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

**OTHER REPORTS**

**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***

---

The Board of Education  
State of New Mexico - Mountainair Public Schools  
Mountainair, New Mexico

and

Mr. Hector H. Balderas  
New Mexico State Auditor  
Santa Fe, New Mexico

I have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparisons of the General Fund and the Food Service Special Revenue Fund of the State of New Mexico, Mountainair Public Schools (District) and the financial statements of each of the District's nonmajor governmental and fiduciary funds presented as supplementary information in the combining and individual fund financial statements as of and for the year ended June 30, 2010, and have issued my report thereon dated November 11, 2010. I conducted my 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 my audit, I considered the District's internal control over financial reporting as a basis for designing my audit procedures for the purpose of expressing my 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, I do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying *Schedule of Findings and Questioned Costs*, I identified certain deficiencies in internal control over financial reporting that I consider to be material weaknesses and another deficiency that I consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. I consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as findings 04-1 and 06-1 to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies in the internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. I consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs as finding 04-11 to be a significant deficiency.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

However, I also noted a certain other matter that is required to be reported under Government Auditing Standards paragraphs 5.14 and 5.16 and Section 12-6-5, NMSA, 1978, which is described in the accompanying Schedule of Findings and Questioned Costs as Item 10-1.

The District's responses to the findings identified in my audit are described in the accompanying Schedule of Findings and Responses. I did not audit the District's response and, accordingly, I express no opinion on it.

This report is intended for the information and use of the Board of the District, the management of the District, the State of New Mexico Public Education Department, the State of New Mexico Department of Finance and Administration, the State of New Mexico Office of the State Auditor, the State of New Mexico Legislative Finance Committee, and the State of New Mexico Legislature and is not intended to be and should not be used by anyone other than these specified parties.

*Chester W. Mattocks, CPA*

November 11, 2010

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

---

The Board of Education  
State of New Mexico - Mountainair Public Schools  
Mountainair, New Mexico

and

Mr. Hector H. Balderas  
New Mexico State Auditor  
Santa Fe, New Mexico

Compliance

I have audited the compliance of the State of New Mexico, Mountainair Public Schools (District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2010. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. My responsibility is to express an opinion on the District's compliance based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the District's compliance with those requirements.

In my opinion, Mountainair Public Schools complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance with OMB Circular A-133, but not for the purpose of expressing an opinion on the

effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the District's internal control over compliance.

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

My consideration of internal control over compliance was for the limited purposes 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. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Board of Education members, the management of the District, the State of New Mexico Public Education Department, the State of New Mexico Office of the State Auditor, the 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.

*Chester W. Matlocke, CPA*

November 11, 2010



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

**II. Financial Statement Findings**

**04 -1 – BANK ACCOUNTS NOT RECONCILED**

**Statement of finding:** The Payroll Clearing Account was not completely reconciled during the fiscal year or at June 30, 2010.

**Criteria:** Per good internal control practices, all bank accounts should be reconciled to the balances per books each month. The clearing account should be reconciled to zero.

**Effect:** Internal control is weakened.

**Cause:** This area did not receive proper attention.

**Recommendation:** Bank accounts should be reconciled to the balance per books each month. All bank accounts should be reconciled each month, and the payroll clearing account should be reconciled to zero. A supervisor should review and initial the reconciliation's, indicating review oversight.

**Management's response:** We will monitor bank statements through the month of January. If the difference in reconciliation is consistent from month to month we will work with our auditor to determine the appropriate adjustment so that we can resolve this issue.

**04 -11 – PERSONNEL FILES AND PAYROLL**

**Statement of finding:** The following exceptions were noted during the testing of twenty-five personnel files:

- a. Three Forms I-9 were not signed by the employee.
- b. One employee only had one form of support for its Form I-9.

**Criteria:** All personnel hired since November 1986 should have a Form I-9 on file.

**Effect:** Required Form I-9's are not on file which could result in a penalty.

**Cause:** Form I-9s were not completely filled out.

**Recommendation:** All Form I-9s should be reviewed to ensure that they are complete.

**Management's response:** We will review all employee files, regardless of the length of time in-district. Prior to review, we will develop a checklist that will be used in reviewing each individual file. We will have a two person review process to check for accuracy and completion of all forms.



**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

**06 -1 – SUPPORTING DOCUMENTATION FOR RECEIPTS AND TIMELY DEPOSIT– AGENCY FUNDS**

**Statement of finding:** Twenty-five of twenty-five activity fund cash receipts tested at the high school only had a receipt in the receipt book as supporting documentation, without any additional supporting documentation. Twenty of twenty-five activity fund cash receipts tested at the high school were not deposited by the end of the next business.

Fifteen of fifteen activity fund cash receipts tested at the elementary school only had a receipt in the receipt book as supporting documentation, without any additional supporting documentation. Ten of fifteen activity fund cash receipts tested at the elementary school were not deposited by the end of the next business day.

**Criteria:** Supporting documentation for all transactions should be obtained and retained for an appropriate period of time. Deposits should be made before the end of the next business day (PED Regulation 6.20.2.14.C NMAC).

**Effect:** Records cannot be later reviewed. Monies not deposited timely could be lost.

**Cause:** Receipt book was considered adequate. Reports were not a high priority.

**Recommendation:** All supporting documentation for the support of the receipts of the activity funds should be obtained and retained in accordance with the Schools' retention policy. Deposits should be made timely.

**Management's response:** We will develop and implement a training program with each school site. We will review all school site records from 7/1/2010 to the current date and suggest correct documentation. We will review records in the spring again to ensure that school sites continue to provide the required supporting documentation. A written directive (along with documentation from NMAC 6.20.2) will be given from the superintendent that all funds must be deposited on a daily basis. If necessary, this will be incorporated into administrative PDP's.

**10-1- BUDGETING OF BEGINNING CASH**

**Statement of Finding:** The District budgeted expenditures in the Athletics Special Revenue Fund and in the Board Activity Special Revenue Fund. Budgeted revenues were less than the budget expenditures which resulted in beginning cash being budgeted in the Athletics Fund of \$9,122 and of \$22,341 in the Board Activity Fund. However, the Athletics Fund only had \$1,164 in cash at June 30, 2009 and the Board Activity Fund only had \$20,768 at June 30, 2009. One fund was short \$7,958 and the other fund was short \$1,573. In addition, the Operational Account budgeted \$186,618 more than was in its beginning cash.

**Criteria:** Monies which were not available should not be budgeted.

**Effect:** Budget problems could arise later if all of the budgeted expenditures are spent with no additional revenue being obtained.

**Cause:** The budget was set up without referral to cash balances.

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

**Recommendation:** The District should review prior year cash balances to ensure their adequacy before budgeting them.

**Management's response:** We believe this issue is resolved in the current budget. However, cash balances will be reviewed and we will continue to work with our budget analyst to ensure adequacy when developing future budgets.

III. **Federal Award Findings and Questioned Costs**

None were reported.

Note: The financial statements presented in this report were substantially prepared by the independent auditor, Chester W. Mattocks, CPA.

STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2010

---

04 -1 – BANK ACCOUNTS NOT RECONCILED – Repeated.

04 -11 – PERSONNEL FILES – Repeated.

04 -12 – CASH DISBURSEMENTS – Resolved.

06 -1 – SUPPORTING DOCUMENTATION FOR RECEIPTS- AGENCY FUNDS – Repeated.

07- 2 – FILING OF DATA COLLECTION FORM – Resolved.

07- 4– OVEREXPENDITURE OF BUDGET – Resolved.

09- 1- NOTIFICATION NOT MADE BEFORE DISPOSITION OF PROPERTY – Resolved.

**STATE OF NEW MEXICO**  
**MOUNTAINAIR PUBLIC SCHOOLS**

**EXIT CONFERENCE**  
**FOR THE YEAR ENDED JUNE 30, 2010**

---

An exit conference was held on November 11, 2010 to discuss the audit report. Attending were the following:

For the District:

Darrell Roberts	Member of the Board of Education
Jay Mortensen	Superintendent
Tammy Zamora	Business Manager
Mary Childers	Community Member
Frances Gonzales	Parent/ Community Member

For the Independent Auditor:

Chester W. Mattocks, CPA  
David Baca, Senior Auditor