



STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT
June 30, 2009

De'Aun Willoughby CPA, PC
Certified Public Accountant
Melrose, New Mexico



STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Table of Contents
 For the Year Ended June 30, 2009

	<u>Page</u>
Official Roster.....	7
Independent Auditor's Report.....	8-9
FINANCIAL SECTION	
Basic Financial Statements	
Government Wide Financial Statements	
Statement of Net Assets.....	11
Statement of Activities.....	12
Fund Financial Statements	
Government Funds - Balance Sheet.....	13-15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets.....	16
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	17-19
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities.....	20
General Fund-11000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	21-23
Teacherage-12000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	24
Transportation-13000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	25
Instructional Material-14000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	26
McCune-29114	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	27
Statement of Fiduciary Assets and Liabilities-Agency Funds	28
Notes to Financial Statements.....	29-43

	<u>Page</u>
SUPPLEMENTAL INFORMATION RELATED TO MAJOR FUNDS	
Senate Bill Nine-31700	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	45
Debt Service-41000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	46
SUPPLEMENTAL INFORMATION RELATED TO NON MAJOR FUNDS	
Non-major Funds	
Combining Balance Sheet.....	52-64
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	65-77
Food Service-21000	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget (Budgetary Basis) and Actual.....	78
Athletics-22000	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget (Budgetary Basis) and Actual.....	79
Title I-24101	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget (Budgetary Basis) and Actual.....	80
IDEA, Part B, Entitlement-24106	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget (Budgetary Basis) and Actual.....	81
IDEA, Part B, Discretionary-24107	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	82
21st Century Community Learning-24119	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	83
Title I 1003G Grants-24124	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	84
Title V-Part A Inn Ed Pro-24150	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	85
English Language Acquisition-24153	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	86
Teacher/Principal Training & Recruiting-24154	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	87

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Table of Contents
 For the Year Ended June 30, 2009

	<u>Page</u>
Safe & Drug Free Schools-24157	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	88
Carl Perkins HSTW-24180	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	89
Title I Stimulus-24201	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	90
Impact Aid Special Education-25145	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	91
Medicaid -25153	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	92
Luna Health Education-25172	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	93
Gear Up USDE-25211	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	94
Newspaper Association of America Foundation-26105	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	95
LANL Foundation-26113	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	96
Center for Education & Study-26146	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	97
Technology For Education-27117	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	98
Incentives for School Improvement-27138	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	99
Pre K Initiative-27149	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	100
Beginning Teacher Mentoring Program-27154	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	101
Breakfast For Elementary Students-27155	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	102

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Table of Contents
 For the Year Ended June 30, 2009

	<u>Page</u>
School In Need Of Improvement-27163	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	103
Laws of New Mexico-27165	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	104
Library GO Bonds-27170	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	105
Rural Revitalization-27503	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	106
New Mexico Outdoor Classroom-27504	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	107
Gear Up CHE-28178	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	108
Yes I Can-29102	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	109
Bond Building-31100	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	110
Public School Capital Outlay-31200	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	111
Special Capital Outlay-State-31400	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	112
Public School Capital Outlay-20%-32100	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	113
Education Technology-43000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	114
OTHER SUPPLEMENTAL INFORMATION	
Activity	
Schedule of Fiduciary Assets and Liabilities-Agency Funds	117-118
Cash Reconciliations-All Funds.....	119
Schedule of Expenditures of Federal Awards.....	121
Notes to the Schedule of Expenditures of Federal Awards.....	122

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Table of Contents
For the Year Ended June 30, 2009

	<u>Page</u>
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	123-124
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	125-126
Schedule of Findings and Questioned Costs.....	127-128

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Official Roster
June 30, 2009

BOARD OF EDUCATION

Paul C De Baca	President
Mary Ann Vigil	Vice-President
Harold J. Garcia	Secretary
Victor Ortiz	Member
Michael Flores	Member

SCHOOL OFFICIALS

Roy Herrera	Superintendent
Brenda Gallegos	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Independent Auditor's Report

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the PECOS INDEPENDENT SCHOOL DISTRICT

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of PECOS INDEPENDENT SCHOOL DISTRICT, (District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and with standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above, present fairly in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2009, and the respective changes in financial position, and the respective budgetary comparisons for the general fund and major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2009, and the respective changes in financial position, and the respective budgetary comparisons for the major capital projects funds, debt service fund and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2009, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The District has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements and the combining and individual financial statements and budgetary comparisons presented as supplemental information.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, and 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 US 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 of the District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

De'Aun Willoughby CPA PC

November 6, 2009

FINANCIAL SECTION

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Government-Wide Statement of Net Assets
 June 30, 2009

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 1,452,245
Investments	567,136
Taxes Receivable	17,148
Due from Grantor	383,832
Inventory	1,337
Total Current Assets	<u>2,421,698</u>
Noncurrent Assets	
Capital Assets	19,067,871
Less: Accumulated Depreciation	<u>(8,390,039)</u>
Total Noncurrent Assets	<u>10,677,832</u>
Total Assets	<u>13,099,530</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	18,418
Accrued Interest	37,170
Deferred Revenue	1,000
Current Portion of Long-Term Debt	<u>295,000</u>
Total Current Liabilities	<u>351,588</u>
Noncurrent Liabilities	
Bonds and Notes, Net	1,330,124
Compensated Absences	<u>60,288</u>
Total Noncurrent Liabilities	<u>1,390,412</u>
Total Liabilities	<u>1,742,000</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	9,052,708
Restricted for:	
Capital Projects	463,486
Debt Service	24,431
Unrestricted	<u>1,816,905</u>
Total Net Assets	<u>\$ 11,357,530</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Government-Wide Statement of Activities
For the Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 4,495,231	42,293	\$ 625,292	\$ 0	\$ (3,827,646)
Support Services-Students	1,243,779	0	211,618	0	(1,032,161)
Support Services-Instruction	443,491	0	87,662	0	(355,829)
General Administration	592,030	0	14,851	0	(577,179)
School Administration	464,877	0	2,640	0	(462,237)
Central Services	211,982	0	0	0	(211,982)
Operation of Plant	1,423,260	16,725	245,410	0	(1,161,125)
Student Transportation	423,561	0	362,470	0	(61,091)
Food Services Operations	423,885	24,300	355,492	0	(44,093)
Interest on Long-Term Obligations	83,332	0	0	0	(83,332)
Total Governmental Activities	\$ <u>9,805,428</u>	\$ <u>83,318</u>	\$ <u>1,905,435</u>	\$ <u>0</u>	\$ <u>(7,816,675)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes				\$	11,791
Property Taxes, Levied for Debt Service					362,433
Property Taxes, Levied for Capital Projects					182,336
Federal and State aid not restricted to specific purpose					
General					7,249,007
Capital					163,113
Interest and investment earnings					37,838
Miscellaneous					9,372
Subtotal, General Revenues					<u>8,015,890</u>
Change in Net Assets					199,215
Net Assets - Beginning					<u>11,158,315</u>
Net Assets - ending				\$	<u><u>11,357,530</u></u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2009

	General Fund		
	Operational Fund 11000	Teacherage Fund 12000	Transportation Fund 13000
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 148,612	\$ 64,289	\$ 1,217
Investments	0	0	0
Receivables			
Taxes	370	0	0
Due From Grantor	0	0	0
Interfund Balance	383,722	0	0
Inventory	0	0	0
Total Assets	<u>\$ 532,704</u>	<u>\$ 64,289</u>	<u>\$ 1,217</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	16,536	0	251
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>16,536</u>	<u>0</u>	<u>251</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Retirement of Long-Term Debt	0	0	0
Unreserved, Undesignated, reported in:			
General Fund	516,168	64,289	966
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balances	<u>516,168</u>	<u>64,289</u>	<u>966</u>
Total Liabilities and Fund Balances	<u>\$ 532,704</u>	<u>\$ 64,289</u>	<u>\$ 1,217</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2009

	<u>General Fund</u>	<u>Special</u> <u>Revenue</u>	<u>Capital</u> <u>Projects</u>
	Instructional Materials Fund 14000	McCune 29114	Senate Bill Nine 31700
ASSETS			
Cash and Cash Equivalents	\$ 44,597	\$ 3,073	\$ 30,776
Investments	0	0	567,136
Receivables			
Taxes	0	0	5,584
Due From Grantor	0	0	0
Interfund Balance	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 44,597</u>	<u>\$ 3,073</u>	<u>\$ 603,496</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	0	0	0
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Retirement of Long-Term Debt	0	0	0
Unreserved, Undesignated, reported in:			
General Fund	44,597	0	0
Special Revenue Funds	0	3,073	0
Capital Projects	0	0	603,496
Total Fund Balances	<u>44,597</u>	<u>3,073</u>	<u>603,496</u>
Total Liabilities and Fund Balances	<u>\$ 44,597</u>	<u>\$ 3,073</u>	<u>\$ 603,496</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2009

	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 345,420	\$ 814,261	\$ 1,452,245
Investments	0	0	567,136
Receivables			
Taxes	11,181	13	17,148
Due From Grantor	0	383,832	383,832
Interfund Balance	0	0	383,722
Inventory	0	1,337	1,337
Total Assets	<u>\$ 356,601</u>	<u>\$ 1,199,443</u>	<u>\$ 2,805,420</u>
 LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 383,722	\$ 383,722
Accounts Payable	0	1,631	18,418
Current Portion Due			
Principal	295,000	0	295,000
Interest	37,170	0	37,170
Deferred Revenue	0	1,000	1,000
Total Liabilities	<u>332,170</u>	<u>386,353</u>	<u>735,310</u>
 Fund Balances			
Reserved for:			
Inventory	0	1,337	1,337
Capital Improvements	0	463,486	463,486
Retirement of Long-Term Debt	24,431	13,169	37,600
Unreserved, Undesignated, reported in:			
General Fund	0	0	626,020
Special Revenue Funds	0	330,563	333,636
Capital Projects	0	4,535	608,031
Total Fund Balances	<u>24,431</u>	<u>813,090</u>	<u>2,070,110</u>
 Total Liabilities and Fund Balances	 <u>\$ 356,601</u>	 <u>\$ 1,199,443</u>	 <u>\$ 2,805,420</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2009

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

Total Fund Balance - Governmental Funds	\$	2,070,110
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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	\$	19,067,871	
Accumulated depreciation is		<u>(8,390,039)</u>	10,677,832

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 :

Bond payable	(1,340,000)	
Bond Issue Costs	39,503	
Accumulated Amortization	(29,627)	
Compensated Absences	<u>(60,288)</u>	<u>(1,390,412)</u>

Total net assets - governmental activities	\$	<u><u>11,357,530</u></u>
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The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2009

	General Fund		
	Operational	Teacherage	Transportation
	Fund	Fund	Fund
	11000	12000	13000
Revenues			
Property Taxes	\$ 11,791	\$ 0	\$ 0
Fees	2,753	16,725	0
Investment Income	31,048	0	0
State & Local Grants	7,204,401	0	356,631
Federal Grants	44,606	0	0
Miscellaneous	9,372	0	0
Total Revenues	<u>7,303,971</u>	<u>16,725</u>	<u>356,631</u>
Expenditures			
Current			
Instruction	3,439,592	0	0
Support Services-Students	1,056,430	0	0
Support Services-Instruction	298,473	0	0
Support Services-General Administration	548,401	0	0
Support Services-School Administration	462,237	0	0
Central Services	193,857	0	0
Operation & Maintenance of Plant	1,240,935	5,022	0
Student Transportation	24,599	0	355,665
Food Service Operations	48,614	0	0
Capital Outlay	157,552	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>7,470,690</u>	<u>5,022</u>	<u>355,665</u>
Excess (Deficiency) of Revenues Over Expenditures	(166,719)	11,703	966
Fund Balances at Beginning of Year	<u>682,887</u>	<u>52,586</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 516,168</u>	<u>\$ 64,289</u>	<u>\$ 966</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2009

	<u>General Fund</u>		
	<u>Instructional</u>		<u>Senate</u>
	Materials		Bill Nine
	Fund	McCune	31700
	<u>14000</u>	<u>29114</u>	<u>31700</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 182,336
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	66,934	0	306,763
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>66,934</u>	<u>0</u>	<u>489,099</u>
Expenditures			
Current			
Instruction	31,473	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	1,811
Support Services-School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	112,093
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	4,575	0	26,824
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>36,048</u>	<u>0</u>	<u>140,728</u>
Excess (Deficiency) of Revenues Over Expenditures	30,886	0	348,371
Fund Balances at Beginning of Year	<u>13,711</u>	<u>3,073</u>	<u>255,125</u>
Fund Balance End of Year	<u>\$ 44,597</u>	<u>\$ 3,073</u>	<u>\$ 603,496</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2009

	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$ 362,010	\$ 423	\$ 556,560
Fees	0	171,673	191,151
Investment Income	340	6,450	37,838
State & Local Grants	0	247,485	8,182,214
Federal Grants	0	982,902	1,027,508
Miscellaneous	0	0	9,372
Total Revenues	<u>362,350</u>	<u>1,408,933</u>	<u>10,004,643</u>
Expenditures			
Current			
Instruction	0	595,998	4,067,063
Support Services-Students	0	187,349	1,243,779
Support Services-Instruction	0	91,114	389,587
Support Services-General Administration	3,603	11,788	565,603
Support Services-School Administration	0	2,640	464,877
Central Services	0	0	193,857
Operation & Maintenance of Plant	0	13,727	1,371,777
Student Transportation	0	5,839	386,103
Food Service Operations	0	366,731	415,345
Capital Outlay	0	159,115	348,066
Debt Service			
Principal	295,000	0	295,000
Interest	80,040	0	80,040
Total Expenditures	<u>378,643</u>	<u>1,434,301</u>	<u>9,821,097</u>
Excess (Deficiency) of Revenues Over Expenditures	(16,293)	(25,368)	183,546
Fund Balances at Beginning of Year	<u>40,724</u>	<u>838,458</u>	<u>1,886,564</u>
Fund Balance End of Year	<u>\$ 24,431</u>	<u>\$ 813,090</u>	<u>\$ 2,070,110</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2009

Excess (Deficiency) of Revenues Over Expenditures-Governmental Funds \$ 183,546

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	\$ (612,156)	
Capital Outlays	<u>348,066</u>	(264,090)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Principal paid for bonds (Note H)	285,000	
Difference in current amount due in the Debt Service Fund	<u>10,000</u>	295,000

Bond issue costs are amortized in the Statement of Activities but are netted with proceeds of bond issues in the year of issue on the Statement of Revenues, Expenditures and Changes in Fund Balances. This is the amount of the amortized bond issue costs this year.

(3,292)

Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

(11,949)

Changes in Net Assets of Governmental Activities \$ 199,215

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 11,607	\$ 11,607	\$ 11,691	\$ 84
Investment Income	30,000	30,000	31,048	1,048
Fees	4,000	4,000	2,752	(1,248)
State Grant	7,270,826	7,204,271	7,204,401	130
Federal Grant	7,955	44,606	44,606	0
Miscellaneous	3,000	3,000	9,372	6,372
Total Revenues	<u>7,327,388</u>	<u>7,297,484</u>	<u>7,303,870</u>	<u>6,386</u>
Expenditures				
Instruction				
Personnel Services	2,633,235	2,465,912	2,464,197	1,715
Employee Benefits	733,321	797,765	778,363	19,402
Professional & Tech Services	46,000	37,540	34,450	3,090
Purchased Services	80,500	112,733	108,994	3,739
Supplies	124,868	128,495	123,334	5,161
Fixed Assets	0	8,924	7,180	1,744
Total Instruction	<u>3,617,924</u>	<u>3,551,369</u>	<u>3,516,518</u>	<u>34,851</u>
Support Services-Students				
Personnel Services	857,093	623,082	617,603	5,479
Employee Benefits	231,793	190,691	185,446	5,245
Professional & Tech Services	61,000	199,850	199,849	1
Purchased Services	48,500	49,882	47,545	2,337
Supplies	6,397	9,954	4,841	5,113
Supply Assets	9,000	3,737	1,145	2,592
Total Support Services-Students	<u>1,213,783</u>	<u>1,077,196</u>	<u>1,056,429</u>	<u>20,767</u>
Support Services-Instruction				
Personnel Services	193,074	193,075	192,797	278
Employee Benefits	52,693	63,239	61,178	2,061
Professional & Tech Services	2,500	2,500	2,334	166
Purchased Property Services	2,500	0	0	0
Purchased Services	5,000	6,200	6,004	196
Supplies	24,000	34,588	34,529	59
Supply Assets	1,000	1,614	1,172	442
Total Support Services-Instruction	<u>\$ 280,767</u>	<u>\$ 301,216</u>	<u>\$ 298,014</u>	<u>\$ 3,202</u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-General Administration				
Personnel Services	\$ 250,136	\$ 259,066	\$ 259,064	\$ 2
Employee Benefits	85,210	90,208	90,196	12
Professional & Tech Services	66,200	80,370	80,284	86
Purchased Property Services	3,500	2,858	2,766	92
Purchased Services	64,000	102,848	100,702	2,146
Supplies	12,800	14,582	13,141	1,441
Supply Assets	4,483	1,966	1,965	1
Total Support Services-General Administration	<u>486,329</u>	<u>551,898</u>	<u>548,118</u>	<u>3,780</u>
Support Services-School Administration				
Personnel Services	316,463	324,535	324,532	3
Employee Benefits	106,947	105,770	105,560	210
Professional & Tech Services	3,000	2,287	2,287	0
Purchased Property Services	400	2,264	2,263	1
Purchased Services	14,100	3,519	3,513	6
Supplies	19,604	34,593	34,590	3
Supply Assets	600	6,249	6,248	1
Total Support Services-School Administration	<u>461,114</u>	<u>479,217</u>	<u>478,993</u>	<u>224</u>
Central Services				
Personnel Services	142,466	138,822	136,761	2,061
Employee Benefits	46,849	43,482	40,417	3,065
Professional & Tech Services	4,200	2,396	1,337	1,059
Purchased Services	18,000	5,000	4,036	964
Supplies	13,000	15,211	11,305	3,906
Property	4,355	355	0	355
Total Central Services	<u>228,870</u>	<u>205,266</u>	<u>193,856</u>	<u>11,410</u>
Operation & Maintenance of Plant				
Personnel Services	415,026	417,366	412,772	4,594
Employee Benefits	140,197	159,657	153,926	5,731
Professional & Tech Services	1,000	3,000	2,960	40
Purchased Property Services	447,200	417,726	406,234	11,492
Purchased Services	191,000	182,022	181,781	241
Supplies	36,000	57,145	56,700	445
Supply Assets	0	14,028	14,027	1
Total Operation & Maintenance of Plant	<u>\$ 1,230,423</u>	<u>\$ 1,250,944</u>	<u>\$ 1,228,400</u>	<u>\$ 22,544</u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Student Transportation				
Personnel Services	\$ 0	\$ 10,818	\$ 10,817	\$ 1
Employee Benefits	0	6,056	6,051	5
Purchased Property Services	1,000	7,335	7,335	0
Supplies	0	395	395	0
Total Student Transportation	<u>1,000</u>	<u>24,604</u>	<u>24,598</u>	<u>6</u>
Food Service Operations				
Supplies	<u>77,000</u>	<u>77,000</u>	<u>48,614</u>	<u>28,386</u>
Total Food Service Operations	<u>77,000</u>	<u>77,000</u>	<u>48,614</u>	<u>28,386</u>
Capital Outlay				
Land Improvements	0	43,181	43,181	0
Vehicles	0	35,658	35,658	0
Total Capital Outlay	<u>0</u>	<u>78,839</u>	<u>78,839</u>	<u>0</u>
Total Expenditures	<u>7,597,210</u>	<u>7,597,549</u>	<u>7,472,379</u>	<u>125,170</u>
Excess (Deficiency) of Revenues Over Expenditures	(269,822)	(300,065)	(168,509)	131,556
Cash Balance Beginning of Year	<u>700,843</u>	<u>700,843</u>	<u>700,843</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 431,021</u>	<u>\$ 400,778</u>	<u>\$ 532,334</u>	<u>\$ 131,556</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (168,509)	
Net change in Taxes Receivable			100	
Net change in Accounts Payable			1,690	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (166,719)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-TEACHERAGE-12000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 23,950	\$ 23,950	\$ 16,725	\$ (7,225)
Total Revenues	<u>23,950</u>	<u>23,950</u>	<u>16,725</u>	<u>(7,225)</u>
Expenditures				
Operation & Maintenance of Plant				
Purchased Property Services	0	4,347	4,347	0
Supplies	76,536	71,839	325	71,514
Supply Assets	0	350	350	0
Total Operation & Maintenance of Plant	<u>76,536</u>	<u>76,536</u>	<u>5,022</u>	<u>71,514</u>
Total Expenditures	<u>76,536</u>	<u>76,536</u>	<u>5,022</u>	<u>71,514</u>
Excess (Deficiency) of Revenues Over Expenditures	(52,586)	(52,586)	11,703	64,289
Cash Balance Beginning of Year	<u>52,586</u>	<u>52,586</u>	<u>52,586</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 64,289</u>	<u>\$ 64,289</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 11,703	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 11,703</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-TRANSPORTATION-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 378,260	\$ 356,740	\$ 356,741	\$ 1
Total Revenues	<u>378,260</u>	<u>356,740</u>	<u>356,741</u>	<u>1</u>
Expenditures				
Student Transportation				
Personnel Services	227,504	195,813	195,812	1
Employee Benefits	83,177	78,917	78,916	1
Professional & Tech Services	0	1,560	1,560	0
Purchased Property Services	15,200	13,625	13,623	2
Other Purchased Services	14,679	20,964	20,964	0
Supplies	37,700	44,546	43,334	1,212
Supply Assets	0	1,315	1,315	0
Total Student Transportation	<u>378,260</u>	<u>356,740</u>	<u>355,524</u>	<u>1,216</u>
Total Expenditures	<u>378,260</u>	<u>356,740</u>	<u>355,524</u>	<u>1,216</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	1,217	1,217
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,217</u>	<u>\$ 1,217</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,217	
Net change in Due from Grantor			(110)	
Net change in Accounts Payable			(141)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 966</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 64,412	\$ 64,412	\$ 66,934	\$ 2,522
Total Revenues	<u>64,412</u>	<u>64,412</u>	<u>66,934</u>	<u>2,522</u>
Expenditures				
Instruction				
Supplies	<u>60,573</u>	<u>60,573</u>	<u>31,473</u>	<u>29,100</u>
Total Instruction	<u>60,573</u>	<u>60,573</u>	<u>31,473</u>	<u>29,100</u>
Support Services-Instruction				
Fixed Assets	<u>3,839</u>	<u>4,575</u>	<u>4,575</u>	<u>0</u>
Total Support-Services Instruction	<u>3,839</u>	<u>4,575</u>	<u>4,575</u>	<u>0</u>
Total Expenditures	<u>64,412</u>	<u>65,148</u>	<u>36,048</u>	<u>29,100</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(736)	30,886	31,622
Cash Balance Beginning of Year	<u>13,711</u>	<u>13,711</u>	<u>13,711</u>	<u>0</u>
Cash Balance End of Year	\$ <u>13,711</u>	\$ <u>12,975</u>	\$ <u>44,597</u>	\$ <u>31,622</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>30,886</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>30,886</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-McCUNE-29114
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>3,073</u>	<u>3,073</u>	<u>3,073</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 3,073</u>	<u>\$ 3,073</u>	<u>\$ 3,073</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Statement of Fiduciary Assets and Liabilities-Agency Funds
For the Year Ending June 30, 2009

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 122,716
Total Assets	<u>\$ 122,716</u>
Liabilities	
Deposits Held for Others	\$ 122,716
Total Liabilities	<u>\$ 122,716</u>

The notes to the financial statements are an integral part of this statement.

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the PECOS INDEPENDENT SCHOOL DISTRICT (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. The more significant of the

Financial Reporting Entity

The PECOS INDEPENDENT SCHOOL DISTRICT has been in existence since the early nineteen hundreds, and is currently operating under the provisions of the Public School District Code, Chapter 22, of the New Mexico Statutes Annotated, 1978 Compilation. The District operates with a local board of education - superintendent form of government and provides a supervised program of instruction designed to educate students at the elementary and secondary level.

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 has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District 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.

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 classification and a description of each existing fund type follows below:

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 capital assets and the servicing of general long-term debt.

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds.

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

Capital Projects Fund - The Capital Projects Fund is used to account for all resources for the acquisition of capital facilities by the District.

Debt Service Fund - The Debt Service Fund is used to account for the resources for, and the payment of, principal, interest and related costs.

Fiduciary Fund Type

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 Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This accounting reflects the District's agency relationship with the student

Major Funds

The District reports the following major governmental funds:

GENERAL FUND (11000)(12000)(13000)(14000)

The General Fund consist of four sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Teacherage Fund is to provide teachers affordable housing to entice them to teach there. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

SPECIAL REVENUE FUNDS

McCune (29114)

To account for revenues and expenditures to enrich the education of students. The fund was created by state grant provisions.

CAPITAL PROJECT FUNDS

Senate Bill Nine-31700

The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

DEBT SERVICE FUND (41000)

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirement of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for services to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions, and

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has

Revenues

Ad valorem taxes are susceptible to full accrual on the government wide financial statements. Property Tax revenues recognize revenues net of estimated refunds and uncollectible accounts in the period for which the taxes are levied.

Entitlement and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

Expenditure

Salaries are recorded as paid. Salaries for nine-month employees are paid prior to the end of the fiscal year and therefore are not accrued. Salaries for the twelve month employees payroll are

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Basis of Budgeting

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 generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of Education) the local school board submits to the School Budget and Finance Analysis Unit (SBFAU) of the New Mexico Public Education Department an estimated budget for the 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 New Mexico Public Education Department (PED) by the 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 SBFAU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBFAU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for 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 SBFAU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures 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 I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBFAU.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

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

Cash and Cash Equivalents

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

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.

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 five years last 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. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

Property Taxes

The County collects the District's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the District on a monthly basis. The District accounts for its share of property taxes in the General, Debt Service and Capital Projects Funds. Only those collections received are recorded as revenues for the budget presentation.

Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Inventories and Prepaid Items

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Cafeteria 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. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both District-wide and fund financial statements.

Capital Assets

Capital assets are recorded at historical costs 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 market value on the date received. 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.

If there are any construction projects funded by the NM Public School Facilities Authority they are included in the appropriate capital projects fund and in the capital assets.

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:

Buildings & Improvements	20-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	3-15 Years

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

Short -Term Debt

Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans. The District does not have any activity in short-term debt.

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.

Restricted Net Assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets use 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.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Reserved fund balance indicates that portion of fund equity which has been segregated for specific purposes.

Unreserved fund balance indicates that portion of fund equity which is available for budgeting in future

Interfund Transfers

In governmental funds, transfers should be reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Deferred Revenue

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 combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

Compensated Absences

After a non-certified employee has been with the District for a period of at least six months, the employee is entitled to a one-week paid vacation; when employed twelve months, the employee is entitled to a two week paid vacation accumulative to no more than 20 contract days. Vacation is to be scheduled at an appropriate time and approved by the supervisor. If an employee is discharged because of lack of work, and through no fault of the employee, the employee shall receive commensurate vacation pay.

The District's recognition and measurement criteria for compensated absences follow:

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both the following conditions are met:

- (a) The employees' right to receive compensation is attributable to services already rendered.
- (b) It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

Estimates

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

NOTE B: CASH AND INVESTMENTS

The District is required by New Mexico State Statute (Section 6-10-17) to be 50% collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

<u>Name of Account</u>	Balance Per Bank 6/30/09	Reconciled Balance	Type
General Fund Account	\$ 1,922,665	\$ 1,574,961	Checking
TOTAL Deposited	1,922,665	<u>1,574,961</u>	
Less: FDIC Coverage	<u>(1,922,665)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	<u>1,522,345</u>		
Over (Under) requirement	<u>\$ 1,522,345</u>		

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

The following securities are pledged at **The Bank of Las Vegas**:

<u>Description</u>	<u>CUSIP #</u>	<u>Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
FHLB	3133XC6Y4	\$ 1,038,440	06/22/10	FHLB Dallas, TX
FFCB	31331GMK2	483,905	02/05/15	FHLB Dallas, TX
		<u>\$ 1,522,345</u>		

The Deposit Bond is an insurance policy purchased by the bank securing the Districts funds. The policy number is DG3989 NM0008

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Notes to the Financial Statements
 June 30, 2009

Custodial Credit Risk-Deposits

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 1,922,665
Collateralized:	
Collateral held by the pledging bank in District's name	0
Over insured or over collateralized	0
Total Deposits	<u>\$ 1,922,665</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2009 none of the districts balance of \$1,922,665 was exposed to custodial risk.

New Mexico State Treasurer

<u>Name of Account</u>	<u>Balance Per Bank 6-30-08</u>	<u>Reconciled Balance</u>	<u>Type</u>
Pecos Independent School District	\$ 553,698	553,698	Investment
Pecos Reserve Account	<u>13,438</u>	<u>\$ 13,438</u>	Investment
TOTAL Deposited	<u>\$ 567,136</u>	<u>\$ 567,136</u>	

GASB Statement No. 40, Deposit and Investment Risk Disclosures, relates to how deposits and investments are reported in the annual financial statements of governmental entities. GASB Statement No. 40 disclosures inform financial statement users about deposit and investment risks that could affect a government's ability to provide services and meet its obligations as they become due. GASB Statement No. 40 requires governments to disclose deposit and investment risks related to credit risk (including custodial credit risk), concentration of credit risk, interest rate risk, and foreign currency risk. The State Treasurer's Office provides the following information regarding the LGIP:

1. With respect to credit risk, the LGIP, a government investment pool, is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.
2. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk. Therefore, the LGIP is exempt from this disclosure.
3. GASB Statement No. 40 defines interest rate risk as the risk that interest rate variations may adversely affect the fair value of an investment. According to GASB Statement No. 40, an acceptable method for reporting interest rate risk is weighted average maturity ("WAM"). The State Treasurer's Office uses this method for reporting purposes for the LGIP. The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at www.stonm.org. As of June 30, 2009, the LGIP WAM is 43 days.
4. Finally, with respect to foreign currency risk, all investments in the LGIP are in U.S. dollar denominated assets. Therefore, the LGIP has no foreign currency risk.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

NOTE C: INTERFUND BALANCES, RECIEVABLES, AND TRANSFERS

Interfund balances during the year ending June 30, 2009 were as follows:

Due to General Fund from:

Other Governmental Funds	\$	<u>383,722</u>
Totals	\$	<u><u>383,722</u></u>

Short term loans from the General Fund to the above fund were to cover costs during the year until the grant revenue is received, the loans will be repaid within one year.

NOTE D: TAXES RECEIVABLE

Following is a schedule of property taxes receivable as of June 30, 2009:

	<u>General Fund</u>	<u>Senate Bill Nine</u>	<u>Debt Service</u>	<u>Other Government</u>	<u>Total</u>
Property Tax Available	\$ 370	\$ 5,584	\$ 11,181	\$ 13	17,148
Unavailable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Property Taxes Receivable	\$ <u><u>370</u></u>	\$ <u><u>5,584</u></u>	\$ <u><u>11,181</u></u>	\$ <u><u>13</u></u>	<u><u>17,148</u></u>

NOTE E: DUE FROM OTHER GOVERNMENT UNITS

Amounts due from other agencies and units of government were as follows as of June 30, 2009:

	<u>Other Governmental</u>	<u>Total</u>
Federal Agencies	\$ 271,675	\$ 271,675
State Agencies	<u>112,157</u>	<u>112,157</u>
Total	\$ <u><u>383,832</u></u>	\$ <u><u>383,832</u></u>

NOTE F: DEFERRED REVENUES

Revenues are deferred in accordance with the modified accrual basis of accounting for the fund financial statements. The following deferred revenues are measurable but do not represent available expendable resources for the Fund Financial Statements for the fiscal year ended June 30, 2009:

	<u>Other al</u>	<u>Total</u>
Federal Revenues	\$ 1,000	\$ 1,000
Total Deferred Revenues	\$ <u><u>1,000</u></u>	<u><u>1,000</u></u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

NOTE G: CAPITAL ASSETS

Capital Assets Balances and Activity for the Year Ended June 30, 2009, is as follows:

	Balance <u>6/30/08</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>6/30/09</u>
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 228,257	\$ 0	\$ 0	\$ 228,257
Total Capital Assets not being Depreciated	<u>228,257</u>	<u>0</u>	<u>0</u>	<u>228,257</u>
Capital Assets, being Depreciated				
Buildings & Improvements	14,622,245	163,034	0	14,785,279
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>3,869,303</u>	<u>185,032</u>	<u>0</u>	<u>4,054,335</u>
Total Capital Assets, being Depreciated	<u>18,491,548</u>	<u>348,066</u>	<u>0</u>	<u>18,839,614</u>
Total Capital Assets	<u>18,719,805</u>	<u>348,066</u>	<u>0</u>	<u>19,067,871</u>
Less Accumulated Depreciation				
Buildings & Improvements	4,966,565	392,759	0	5,359,324
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>2,811,318</u>	<u>219,397</u>	<u>0</u>	<u>3,030,715</u>
Total Accumulated Depreciation	<u>7,777,883</u>	<u>612,156</u>	<u>0</u>	<u>8,390,039</u>
Capital Assets, net	\$ <u>10,941,922</u>	\$ <u>(264,090)</u>	\$ <u>0</u>	\$ <u>10,677,832</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 428,168
Support Services-Instruction	42,525
Support Services-General Administration	20,444
Central Services	20,341
Operation & Maintenance of Plant	56,160
Student Transportation	35,978
Food Services Operations	8,540
Unclassified	0
Total depreciation expenses	<u>\$ 612,156</u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

NOTE H: LONG TERM DEBT

A summary of activity in the Long-Term Debt is as follows:

	<u>Balance</u> <u>6/30/08</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/09</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ <u>1,920,000</u>	\$ <u>0</u>	\$ <u>285,000</u>	\$ <u>1,635,000</u>	\$ <u>295,000</u>
Total Bonds	<u>1,920,000</u>	<u>0</u>	<u>285,000</u>	<u>1,635,000</u>	<u>295,000</u>
Other Liabilities					
Compensated Absences	<u>48,339</u>	<u>71,633</u>	<u>59,684</u>	<u>60,288</u>	<u>0</u>
Total Other Liabilities	<u>48,339</u>	<u>71,633</u>	<u>59,684</u>	<u>60,288</u>	<u>0</u>
Long-Term Liabilities	\$ <u><u>1,968,339</u></u>	\$ <u><u>71,633</u></u>	\$ <u><u>344,684</u></u>	\$ <u><u>1,695,288</u></u>	\$ <u><u>295,000</u></u>

Payments on the general obligation bonds are made by the Debt Service Funds. The compensated absences liability will ultimately be liquidated by several of the District's governmental funds, with most being paid by the General Fund, Transportation Fund, Cafeteria Fund and Title I Fund.

The current portion of the compensated absences is estimated at zero since there are no anticipated retirements or terminations.

General Obligation Bonds.

The following bonds were issued for the purpose of erecting, furnishing, remodeling and making additions to District buildings and improving District grounds. A tax is annually assessed, levied and collected upon all taxable property within the District for the purpose of providing the necessary funds to meet the interest and principal payments as they become due.

<u>Series</u>	<u>Date of Issue</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance</u>
2001	07-15-01	2,700,000	4%-5.0%	\$ <u>1,920,000</u>
				\$ <u><u>1,920,000</u></u>

The annual requirements to amortize the 2001 Series general obligation bonds as of June 30, 2009, including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ <u>295,000</u>	\$ <u>68,293</u>	\$ <u>363,293</u>
2011	<u>310,000</u>	<u>55,735</u>	<u>365,735</u>
2012	<u>325,000</u>	<u>42,238</u>	<u>367,238</u>
2013	<u>345,000</u>	<u>26,625</u>	<u>371,625</u>
2014	<u>360,000</u>	<u>9,000</u>	<u>369,000</u>
Total	\$ <u><u>1,635,000</u></u>	\$ <u><u>201,891</u></u>	\$ <u><u>1,836,891</u></u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

Reconciliation of Long-Term Debt disclosed in Note H to the Long-Term Debt reported in the Statement of Net Assets.

Note H	\$ 1,635,000
Net Issue Costs/Premium/Discounts on Bond Issues	(39,503)
Accumulated Amortization	29,627
Statement of Net Assets	<u>\$ 1,625,124</u>
 Government Wide Statements	
Amount Reported as Current Amount Due	\$ 295,000
Amount Reported as Long-Term Due	1,330,124
Statement of Net Assets	<u>\$ 1,625,124</u>

NOTE I: COMMITMENTS

The District has no construction commitments at June 30, 2009.

NOTE J: PENSION PLAN

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

Plan members are required to contribute 7.9% of their gross salary. The District is required to contribute 11.65% of the gross covered salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9%. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2009, 2008, and 2007, were \$971,043, \$967,085 and \$949,328, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE J: RETIREE HEALTH CARE ACT CONTRIBUTIONS

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2009

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 includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary.

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

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

The District's contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$98,571, \$102,462 and \$105,553, respectively, which equal the required contributions for each year.

NOTE L: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budget basis and GAAP (Generally Accepted Accounting Principles) basis are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

The adjustments necessary to convert the results of operations for the year from GAAP basis to the budget basis for the governmental funds are presented on each individual Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).

The reconciliation of budgetary basis to GAAP basis statements are located at the bottom of each budget actual.

NOTE M: INSURANCE COVERAGE

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; and injuries to employees; and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Annual premiums are paid by the District to NMPSIA for coverage provided in the following areas:

Property and Automobile Liability and Physical Damage
Liability and Civil Rights and Personal Injury
Contract School Bus Coverage; and
Crime

NOTE N: SURETY BOND

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

NOTE O: JOINT POWERS AGREEMENT

The Pecos Independent School District is part of a joint powers agreement with the Northeast Regional Center Cooperative (NEREC). A regional cooperative center that operates as an agency for seven school districts and provides cooperative services as its primary service. The school districts include, Jemez Valley, Las Vegas City, Mora, Pecos, Santa Rosa, Wagon Mound, West Las Vegas; and four charter schools: Riverside Charter School, Walatowa High School, Bridge Academy, and Rio Gallinas Charter School.

The purpose of the agreement is to provide supplementary special education services to local education agencies utilizing federal PL 94-142 funds.

The agreement is to remain in effect until the end of any fiscal year during which the school gives notice of intent to terminate.

The REC passed-through \$112,694, to the District for salaries and fringe benefits. As required by SAO 2.2.2.12 C (3) (d), the REC funds were reported as revenues and expenditures in the following special revenue funds:

24106	IDEA, Part B Entitlement
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The financial statements for the REC were prepared by an IPA. The audit report is available at the REC located in Las Vegas, New Mexico

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 CAPITAL PROJECT FUND-SENATE BILL NINE-31700
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 182,778	\$ 182,778	\$ 181,078	\$ (1,700)
State & Local Grants	0	55,335	306,763	251,428
Total Revenues	<u>182,778</u>	<u>238,113</u>	<u>487,841</u>	<u>249,728</u>
Expenditures				
Instruction				
Fixed Assets	0	17,854	17,854	0
Total Instruction	<u>0</u>	<u>17,854</u>	<u>17,854</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	1,828	1,828	1,811	17
Total Support Services-General Administration	<u>1,828</u>	<u>1,828</u>	<u>1,811</u>	<u>17</u>
Operation & Maintenance of Plant				
Purchased Property Services	50,000	51,000	50,844	156
Supplies	100,000	100,000	30,339	69,661
Supply Assets	37,576	87,843	30,909	56,934
Total Operation & Maintenance of Plant	<u>187,576</u>	<u>238,843</u>	<u>112,092</u>	<u>126,751</u>
Capital Outlay				
Land Improvements	144,173	130,387	2,107	128,280
Fixed Assets	100,000	100,000	6,864	93,136
Total Capital Outlay	<u>244,173</u>	<u>230,387</u>	<u>8,971</u>	<u>221,416</u>
Total Expenditures	<u>433,577</u>	<u>488,912</u>	<u>140,728</u>	<u>348,184</u>
Excess (Deficiency) of Revenues Over Expenditures	(250,799)	(250,799)	347,113	597,912
Cash Balance Beginning of Year	<u>250,799</u>	<u>250,799</u>	<u>250,799</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 597,912</u>	<u>\$ 597,912</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 347,113	
Net change in Taxes Receivable			1,258	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 348,371</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE-41000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 365,040	\$ 365,040	\$ 360,244	\$ (4,796)
Investment Income	1,200	1,200	340	(860)
Total Revenues	<u>366,240</u>	<u>366,240</u>	<u>360,584</u>	<u>(5,656)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	3,650	3,650	3,602	48
Total Support Services General Administration	<u>3,650</u>	<u>3,650</u>	<u>3,602</u>	<u>48</u>
Debt Service				
Debt Service Reserve	349,247	349,247	0	349,247
Principal	285,000	285,000	285,000	0
Interest	80,040	80,040	80,040	0
Total Debt Service	<u>714,287</u>	<u>714,287</u>	<u>365,040</u>	<u>349,247</u>
Total Expenditures	<u>717,937</u>	<u>717,937</u>	<u>368,642</u>	<u>349,295</u>
Excess (Deficiency) of Revenues Over Expenditures	(351,697)	(351,697)	(8,058)	343,639
Cash Balance Beginning of Year	<u>353,478</u>	<u>353,478</u>	<u>353,478</u>	<u>0</u>
Cash Balance End of Year	\$ <u>1,781</u>	\$ <u>1,781</u>	\$ <u>345,420</u>	\$ <u>343,639</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (8,058)	
Net change in Taxes Receivable			1,765	
Net change in Principal			(10,000)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(16,293)</u>	

The notes to the financial statements are an integral part of this statement.

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

Food Service (21000). To account for revenue and expenditures associated with the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements. Authority for creation of this fund is NMSA 22-13-13.

Athletics (22000). To account for revenue and expenditures associated with the District's budgeted athletic activities. (NMAC 6.20.2).

Title I (24101). To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the Elementary and Secondary Act of 1965, Chapter I of Title I, as amended, Public Laws 100-297, 20 U.S.C. 2701. The fund was created by the authority of federal grant provisions.

IDEA Part B, Entitlement (24106). To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

IDEA Part B, Discretionary (24107). To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

21st Century Community Learning (24119). To provide expanded learning opportunities for participating children in a safe, drug-free and supervised environment. Funding is authorized under Title X, Part I, of the Elementary and Secondary Education Act of 1965.

Title I 1003g Grant (24124). To account for revenues and expenditures to improve school in need of improvement specifically for the elementary students. The fund was created by state grant provisions.

Title V-A (24150). To account for monies received to improve elementary and secondary education for children attending both public and private schools. The fund was created by grant provisions. (PL 103-382).

English Language Acquisition (24153). To account for revenues and expenditures received from a federal grant provided to develop school-wide programs for limited English proficient students that reform, restructure, and upgrade all relevant programs. The fund was created by the Elementary and Secondary Education Act of 1965, as amended, Title VII, Part A.

Teacher/Principal Training & Recruiting (24154). To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. Elementary and Secondary Education Act of 1965, as amended, Title II, Part A (PL 107-110).

NONMAJOR SPECIAL REVENUE FUNDS

Safe & Drug Free Schools (24157). To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with related Federal, State, and community efforts and resources. Elementary and Secondary Education Act , Title IV, Part A, Subpart 1, as amended. 20 USC 7111-7118.

Carl D Perkins HSTW (24180). To account for the revenues and expenditures provided for the High School that works fund. The grant is provided by the Federal Government through the Public Education Department.

Title I Stimulus (24201). To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

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

Medicaid (25153). To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. The fund was created by the authority of federal grant provisions. (Title XIX Social Security Act).

LUNA Health Education (25172). To account for a program to improve the distribution, supply, and quality of health personnel in the health services delivery system by encouraging the regionalization of health professions in schools. Public Health Service Act, Title VII, Section 751(a)(2), as amended; Public Health Professions Education Partnership Act of 1998, Public Law 105-392.

Gear Up USDE (25211). To account for resources received to help counselors attend the "Second Annual Gaining Early Awareness and Readiness for Undergraduate Programs National Conference." This workshop is geared for elementary and middle school counselors. The purpose of the conference is to convene counselors and administrators to formulate policy strategies that can help promote student achievement and close the educational attainment gap between low-income and more affluent students.

Newspaper Association of America (26105). To account for resources received to help establish or revive a student newspaper. The goal of this program is for schools and newspapers to work together to create a newspaper where none exists or stabilize and strengthen newspapers that are at risk.

NONMAJOR SPECIAL REVENUE FUNDS

LANL Foundation (26113). This fund provides for language arts education for direct instruction from local funding by the authority of the State of New Mexico Department of Education, NMSA 22-8-14.

Center for Ed & Study of Diverse (26146). To account for resources received to enable curriculum, instruction and learning technologies staff to implement the Technology for Education Act. (22-15A NMSA 1978).

Technology for Education (27117). To account for funds received from the Technology for Education Grant created by the 1994 State Legislation to establish funding of any costs associated with educational technology. Funding provided by the State of New Mexico. (NMSA 22-15A-1-10).

Incentives for School Improvement (27138). To account for revenues and expenditures from a state grant as part of the Incentives for School Improvement Act: awarded based on the improvement in CTBS 5/Terra Nova or New Mexico High School Competency Examination scores. The fund was created by state grant provisions. (NMSA 22-13 A-1).

Pre K Initiative (27149). To account for revenues and expenditures from a state grant provided for the running of the Pre K program.. The fund was created by state grant provisions.

Beginning Teacher Mentoring (27154). To account for revenues and expenditures from a state grant provided for tutoring and student enhancement activities in reading, math, and study skills for grades sixth through eight. The fund was created by state grant provisions.

Breakfast for Elementary Students (27155) To account for revenues and expenditures from a state grant for the purpose of providing a free breakfast to elementary students. The fund was created by state grant provisions.

School in Need of Improvement (27163) To account for revenues and expenditures from a state grant to improve the District's academic performance of the students. The fund was created by state grant provisions.

Laws of New Mexico (27165) To account for funds from the stat to be used for curriculum based or service learning outdoor education programming and projects, transportation of students to outdoor educational sites, or professional development for teachers and/or staff. The fund was created by state grant provisions.

Library GO Bonds (27170).To account for revenues and expenditures from a state grant to provide for public school and juvenile detention libraries. The funding made available to update and expand library collections in order to circulate and provide access of materials to students and teachers. Funding provided by the State of New Mexico.

Rural Revitalization (27503). To account for revenues and expenditures from a state grant for discovery, development, and the use of resources of the community as part of the educational facilities of the school. The fund was created by state grant provisions.

New Mexico Outdoor Classroom (27504). To account for revenues and expenditures from a state grant to increase outdoor education across the state. The fund was created by state grant provisions.

NONMAJOR SPECIAL REVENUE FUNDS

Gear Up CHE (28178). To encourage eligible entities to provide or maintain a guarantee to eligible low-income students who obtain a secondary diploma, of the financial assistance necessary to permit the student to attend an institution of higher education; and provide additional support services to students who are at risk of dropping out of school. The fund was created by state grant provisions.

Yes I Can (29102). To account for a grant to be used for field trips and materials and supplies for activities and classes that promote inclusion of students with and without disabilities using the "Yes I Can" curriculum. The fund was created by state grant provisions.

NONMAJOR CAPITAL PROJECTS FUNDS

Bond Building (31100)

The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

Public School Capital Outlay (31200)

The revenues are derived from a state legislative grant. The expenditures are restricted to capital improvements.

Special School Capital Outlay State (31400)

To account for resources received through House Bill 33 and local tax levies obtained for the financing, construction and remodeling of various school buildings.

Public School Capital Outlay-20% (32100)

A capital projects fund to capture the 20% of eligible federal (Forest Reserve and Impact Aid) and local revenue (Local Taxes) that must be budgeted in Capital Outlay. Provides financing for the construction and improvements of building and land, and the purchase of equipment.

NONMAJOR DEBT SERVICE FUND

Ed Tech Debt Service (43000)

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	Title I 24101
ASSETS			
Cash and Cash Equivalents	\$ 22,000	\$ 218,857	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	60,369
Inventory	1,337	0	0
Total Assets	<u>23,337</u>	<u>218,857</u>	<u>60,369</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	60,369
Accounts Payable	1,079	199	0
Deferred Revenue	0	0	0
Total Liabilities	<u>1,079</u>	<u>199</u>	<u>60,369</u>
Fund Balances			
Reserved for:			
Inventory	1,337	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	20,921	218,658	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>22,258</u>	<u>218,658</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 23,337</u>	<u>\$ 218,857</u>	<u>\$ 60,369</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	IDEA, Part B Entitlement 24106	IDEA, Part B Discretionary 24107	21st Century Community Learning 24119
	<u>24106</u>	<u>24107</u>	<u>24119</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	38,847	0	87,225
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>38,847</u>	<u>0</u>	<u>87,225</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	38,737	0	87,225
Accounts Payable	110	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>38,847</u>	<u>0</u>	<u>87,225</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	0	0	0
Capital Outlay	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 38,847</u>	<u>\$ 0</u>	<u>\$ 87,225</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	Title I 1003g Grants 24124	Title V-A 24150	English Language Acquisition 24153
	<u>24124</u>	<u>24150</u>	<u>24153</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	24,067	0	12,356
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>24,067</u>	<u>0</u>	<u>12,356</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	24,067	0	12,356
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>24,067</u>	<u>0</u>	<u>12,356</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	0	0	0
Capital Outlay	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 24,067</u>	<u>\$ 0</u>	<u>\$ 12,356</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	Teacher/ Principal Training & Recruiting <u>24154</u>	Safe & Drug Free Schools <u>24157</u>	Carl D Perkins HSTW <u>24180</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	10,978	0	1,566
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>10,978</u>	<u>0</u>	<u>1,566</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	10,978	0	1,566
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>10,978</u>	<u>0</u>	<u>1,566</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	0	0	0
Capital Outlay	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 10,978</u>	<u>\$ 0</u>	<u>\$ 1,566</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	Title I Stimulus 24201	Impact Aid Special Education 25145	Medicaid 25153
	<u>24201</u>	<u>25145</u>	<u>25153</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 28,532	\$ 26,354
Receivables			
Taxes	0	0	0
Due From Grantor	36,267	0	0
Inventory	0	0	0
Total Assets	<u>36,267</u>	<u>28,532</u>	<u>26,354</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	36,267	0	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>36,267</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	0	28,532	26,354
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>0</u>	<u>28,532</u>	<u>26,354</u>
Total Liabilities and Fund Balances	<u>\$ 36,267</u>	<u>\$ 28,532</u>	<u>\$ 26,354</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	Luna Health Education 25172	GEAR UP USDE 25211	Newspaper Association of America 26105
ASSETS			
Cash and Cash Equivalents	\$ 1,000	\$ 0	\$ 456
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>1,000</u>	<u>0</u>	<u>456</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	0
Accounts Payable	0	0	0
Deferred Revenue	1,000	0	0
Total Liabilities	<u>1,000</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	0	0	456
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>456</u>
Total Liabilities and Fund Balances	<u>\$ 1,000</u>	<u>\$ 0</u>	<u>\$ 456</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	LANL Foundation 26113	Center for ED & Study of Diverse 26146	Technology For Education 27117
ASSETS			
Cash and Cash Equivalents	\$ 19,044	\$ 384	\$ 7,829
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>19,044</u>	<u>384</u>	<u>7,829</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	0
Accounts Payable	0	0	243
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>243</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	19,044	384	7,586
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>19,044</u>	<u>384</u>	<u>7,586</u>
Total Liabilities and Fund Balances	<u>\$ 19,044</u>	<u>\$ 384</u>	<u>\$ 7,829</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	Incentives For School Improvement <u>27138</u>	Pre K Initiative <u>27149</u>	Beginning Teacher Mentoring <u>27154</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,633	\$ 0	\$ 1,860
Receivables			
Taxes	0	0	0
Due From Grantor	0	36,238	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>1,633</u>	<u>36,238</u>	<u>1,860</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	36,238	0
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>36,238</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	1,633	0	1,860
Capital Outlay	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>1,633</u>	<u>0</u>	<u>1,860</u>
Total Liabilities and Fund Balances	<u>\$ 1,633</u>	<u>\$ 36,238</u>	<u>\$ 1,860</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	Breakfast for Elementary Students <u>27155</u>	School in Need of Improvement <u>27163</u>	Laws of New Mexico <u>27165</u>
ASSETS			
Cash and Cash Equivalents	\$ 2,196	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	314
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>2,196</u>	<u>0</u>	<u>314</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	314
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>0</u>	<u>314</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	2,196	0	0
Capital Outlay	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>2,196</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 2,196</u>	<u>\$ 0</u>	<u>\$ 314</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	GO Bonds	Rural	New Mexico
	27170	Revitalization 27503	Outdoor Classroom 27504
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	2,984
Inventory	0	0	0
Total Assets	<u>0</u>	<u>0</u>	<u>2,984</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	2,984
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>2,984</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	0	0	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,984</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Fund		
	Library Books <u>27549</u>	Gear Up CHE <u>28178</u>	Yes I Can <u>29102</u>
ASSETS			
Cash and Cash Equivalents	\$ 2,055	\$ 0	\$ 884
Receivables			
Taxes	0	0	0
Due From Grantor	0	4,200	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>2,055</u>	<u>4,200</u>	<u>884</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	4,200	0
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>4,200</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	2,055	0	884
Capital Outlay	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>2,055</u>	<u>0</u>	<u>884</u>
Total Liabilities and Fund Balances	<u>\$ 2,055</u>	<u>\$ 4,200</u>	<u>\$ 884</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Capital Outlay		
	Bond Building 31100	Public School Capital Outlay 31200	Special School Capital Outlay State 31400
ASSETS			
Cash and Cash Equivalents	\$ 463,486	\$ 0	\$ 23
Receivables			
Taxes	0	0	0
Due From Grantor	0	68,421	0
Inventory	0	0	0
Total Assets	<u>463,486</u>	<u>68,421</u>	<u>23</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	68,421	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>68,421</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Capital Improvements	463,486	0	0
Unreserved, Undesignated, reported in:			
Special Revenue Fund	0	0	0
Capital Outlay	0	0	23
Debt Service	0	0	0
Total Fund Balances	<u>463,486</u>	<u>0</u>	<u>23</u>
Total Liabilities and Fund Balances	<u>\$ 463,486</u>	<u>\$ 68,421</u>	<u>\$ 23</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	<u>Capital Outlay</u>	<u>Debt Service</u>	
	Public School Capital Outlay 20% 32100	ED Tech Debt Service 43000	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 4,512	\$ 13,156	\$ 814,261
Receivables			
Taxes	0	13	13
Due From Grantor	0	0	383,832
Inventory	0	0	1,337
Total Assets	<u>4,512</u>	<u>13,169</u>	<u>1,199,443</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	383,722
Accounts Payable	0	0	1,631
Deferred Revenue	0	0	1,000
Total Liabilities	<u>0</u>	<u>0</u>	<u>386,353</u>
Fund Balances			
Reserved for:			
Inventory	0	0	1,337
Capital Improvements	0	0	463,486
Unreserved, Undesignated, reported in:			
Special Revenue Fund	0	0	330,563
Capital Outlay	4,512	0	4,535
Debt Service	0	13,169	13,169
Total Fund Balances	<u>4,512</u>	<u>13,169</u>	<u>813,090</u>
Total Liabilities and Fund Balances	<u>\$ 4,512</u>	<u>\$ 13,169</u>	<u>\$ 1,199,443</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	Title I 24101
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	24,300	39,540	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	355,492	0	184,517
Total Revenues	<u>379,792</u>	<u>39,540</u>	<u>184,517</u>
Expenditures			
Current			
Instruction	0	31,211	145,643
Support Services-Students	0	0	0
Support Services-Instruction	0	0	36,197
Support Services-General Administration	0	0	2,677
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	359,115	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>359,115</u>	<u>31,211</u>	<u>184,517</u>
Excess (Deficiency) of Revenues Over Expenditures	20,677	8,329	0
Fund Balances at Beginning of Year	<u>1,581</u>	<u>210,329</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 22,258</u>	<u>\$ 218,658</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	IDEA, Part B Entitlement 24106	IDEA, Part B Discretionary 24107	21st Century Community Learning 24119
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	112,694	0	176,000
Total Revenues	<u>112,694</u>	<u>0</u>	<u>176,000</u>
Expenditures			
Current			
Instruction	50,660	0	118,192
Support Services-Students	62,034	0	0
Support Services-Instruction	0	0	54,917
Support Services-General Administration	0	0	2,891
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>112,694</u>	<u>0</u>	<u>176,000</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	Title I 1003g Grants 24124	Title V-A 24150	English Language Acquisition 24153
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	49,649	0	15,736
Total Revenues	<u>49,649</u>	<u>0</u>	<u>15,736</u>
Expenditures			
Current			
Instruction	49,649	0	15,444
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	292
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>49,649</u>	<u>0</u>	<u>15,736</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	Teacher/ Principal Training & Recruiting 24154	Safe & Drug Free Schools 24157	Carl D Perkins HSTW 24180
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	37,593	0	14,954
Total Revenues	<u>37,593</u>	<u>0</u>	<u>14,954</u>
Expenditures			
Current			
Instruction	36,920	0	6,990
Support Services-Students	0	0	761
Support Services-Instruction	0	0	0
Support Services-General Administration	673	0	4,563
Support Services-School Administration	0	0	2,640
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>37,593</u>	<u>0</u>	<u>14,954</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	Title I Stimulus 24201	Impact Aid Special Education 25145	Medicaid 25153
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	107,833
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	36,267	0	0
Total Revenues	<u>36,267</u>	<u>0</u>	<u>107,833</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	35,580	0	83,564
Support Services-Instruction	0	0	0
Support Services-General Administration	687	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>36,267</u>	<u>0</u>	<u>83,564</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	24,269
Fund Balances at Beginning of Year	<u>0</u>	<u>28,532</u>	<u>2,085</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 28,532</u>	<u>\$ 26,354</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	Luna Health Education 25172	GEAR UP USDE 25211	Newspaper Association of America 26105
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>456</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 456</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	LANL Foundation 26113	Center for ED & Study of Diverse 26146	Technology For Education 27117
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	21,112	0	12,850
Federal Grants	0	0	0
Total Revenues	<u>21,112</u>	<u>0</u>	<u>12,850</u>
Expenditures			
Current			
Instruction	22,945	0	17,437
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>22,945</u>	<u>0</u>	<u>17,437</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,833)	0	(4,587)
Fund Balances at Beginning of Year	<u>20,877</u>	<u>384</u>	<u>12,173</u>
Fund Balance End of Year	<u>19,044</u>	<u>\$ 384</u>	<u>\$ 7,586</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	Incentives For School Improvement 27138	Pre K Initiative 27149	Beginning Teacher Mentoring 27154
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	73,648	4,012
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>73,648</u>	<u>4,012</u>
Expenditures			
Current			
Instruction	451	67,809	3,569
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	5,839	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>451</u>	<u>73,648</u>	<u>3,569</u>
Excess (Deficiency) of Revenues Over Expenditures	(451)	0	443
Fund Balances at Beginning of Year	<u>2,084</u>	<u>0</u>	<u>1,417</u>
Fund Balance End of Year	<u>\$ 1,633</u>	<u>\$ 0</u>	<u>\$ 1,860</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	Breakfast for Elementary Students <u>27155</u>	School in Need of Improvement <u>27163</u>	Laws of New Mexico <u>27165</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	11,790	0	267
Federal Grants	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>11,790</u>	<u>0</u>	<u>267</u>
Expenditures			
Current			
Instruction	11,791	0	267
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>11,791</u>	<u>0</u>	<u>267</u>
Excess (Deficiency) of Revenues Over Expenditures	(1)	0	0
Fund Balances at Beginning of Year	<u>2,197</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 2,196</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	GO Bonds	Rural	New Mexico
	27170	Revitalization 27503	Outdoor Classroom 27504
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	8,000	2,984
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>8,000</u>	<u>2,984</u>
Expenditures			
Current			
Instruction	0	8,000	2,984
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>8,000</u>	<u>2,984</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Fund		
	Library Books <u>27549</u>	Gear Up CHE <u>28178</u>	Yes I Can <u>29102</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	2,055	11,446	0
Federal Grants	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>2,055</u>	<u>11,446</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	6,036	0
Support Services-Students	0	5,410	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	7,616
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>11,446</u>	<u>7,616</u>
Excess (Deficiency) of Revenues Over Expenditures	2,055	0	(7,616)
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>8,500</u>
Fund Balance End of Year	<u>\$ 2,055</u>	<u>\$ 0</u>	<u>\$ 884</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Capital Outlay		
	Bond Building 31100	Public School Capital Outlay 31200	Special School Capital Outlay State 31400
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	6,450	0	0
State & Local Grants	0	67,945	31,376
Federal Grants	0	0	0
Total Revenues	<u>6,450</u>	<u>67,945</u>	<u>31,376</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	59,794	67,945	31,376
Total Expenditures	<u>59,794</u>	<u>67,945</u>	<u>31,376</u>
Excess (Deficiency) of Revenues Over Expenditures	(53,344)	0	0
Fund Balances at Beginning of Year	<u>516,830</u>	<u>0</u>	<u>23</u>
Fund Balance End of Year	<u>\$ 463,486</u>	<u>\$ 0</u>	<u>\$ 23</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Capital Outlay	Debt Service	
	Public School Capital Outlay 20% 32100	ED Tech Debt Service 43000	Total
Revenues			
Property Taxes	\$ 0	\$ 423	\$ 423
Fees	0	0	171,673
Investment Income	0	0	6,450
State & Local Grants	0	0	247,485
Federal Grants	0	0	982,902
Total Revenues	<u>0</u>	<u>423</u>	<u>1,408,933</u>
Expenditures			
Current			
Instruction	0	0	595,998
Support Services-Students	0	0	187,349
Support Services-Instruction	0	0	91,114
Support Services-General Administration	0	5	11,788
Support Services-School Administration	0	0	2,640
Operation & Maintenance of Plant	13,727	0	13,727
Student Transportation	0	0	5,839
Food Service Operations	0	0	366,731
Capital Outlay	0	0	159,115
Total Expenditures	<u>13,727</u>	<u>5</u>	<u>1,434,301</u>
Excess (Deficiency) of Revenues Over Expenditures	(13,727)	418	(25,368)
Fund Balances at Beginning of Year	<u>18,239</u>	<u>12,751</u>	<u>838,458</u>
Fund Balance End of Year	<u>\$ 4,512</u>	<u>\$ 13,169</u>	<u>\$ 813,090</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 30,000	\$ 30,000	\$ 24,300	\$ (5,700)
Federal Grants	299,205	330,649	331,441	792
Total Revenues	<u>329,205</u>	<u>360,649</u>	<u>355,741</u>	<u>(4,908)</u>
Expenditures				
Food Services Operations				
Personnel Services	161,887	166,475	156,226	10,249
Employee Benefits	70,507	71,476	71,476	0
Professional & Tech Services	1,000	1,000	691	309
Other Purchased Services	919	4,635	4,017	618
Supplies	95,172	117,343	101,611	15,732
Total Food Service Operations	<u>329,485</u>	<u>360,929</u>	<u>334,021</u>	<u>26,908</u>
Total Expenditures	<u>329,485</u>	<u>360,929</u>	<u>334,021</u>	<u>26,908</u>
Excess (Deficiency) of Revenues Over Expenditures	(280)	(280)	21,720	22,000
Cash Balance Beginning of Year	<u>280</u>	<u>280</u>	<u>280</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>22,000</u>	\$ <u>22,000</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 21,720	
Net Change in Inventory			37	
Net Change in Payables			(1,080)	
Net Change in Reserved for Inventory			(37)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 20,677</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 30,000	\$ 30,000	\$ 39,540	\$ 9,540
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>39,540</u>	<u>9,540</u>
Expenditures				
Instruction				
Employee Benefits	0	121	109	12
Purchased Services	40,527	40,406	13,759	26,647
Supplies	100,000	100,000	17,144	82,856
Total Instruction	<u>140,527</u>	<u>140,527</u>	<u>31,012</u>	<u>109,515</u>
Total Expenditures	<u>140,527</u>	<u>140,527</u>	<u>31,012</u>	<u>109,515</u>
Excess (Deficiency) of Revenues Over Expenditures	(110,527)	(110,527)	8,528	119,055
Cash Balance Beginning of Year	<u>210,329</u>	<u>210,329</u>	<u>210,329</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 99,802</u>	<u>\$ 99,802</u>	<u>\$ 218,857</u>	<u>\$ 119,055</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 8,528	
Net Change in Payables			<u>(199)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 8,329</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 297,548	\$ 300,048	\$ 232,988	\$ (67,060)
Total Revenues	<u>297,548</u>	<u>300,048</u>	<u>232,988</u>	<u>(67,060)</u>
Expenditures				
Instruction				
Personnel Services	107,594	84,370	82,711	1,659
Employee Benefits	22,986	28,779	28,118	661
Professional & Tech Services	18,022	18,022	17,386	636
Other Purchased Services	2,427	17,711	15,283	2,428
Supplies	0	1,024	1,023	1
Property	0	1,123	1,122	1
Total Instruction	<u>151,029</u>	<u>151,029</u>	<u>145,643</u>	<u>5,386</u>
Support Services-Instruction				
Personnel Services	29,058	28,110	27,285	825
Employee Benefits	5,943	9,243	8,764	479
Other Purchased Services	0	148	147	1
Total Support Services-Instruction	<u>35,001</u>	<u>37,501</u>	<u>36,196</u>	<u>1,305</u>
Support Services-General Administration				
Professional & Tech Services	<u>2,677</u>	<u>2,677</u>	<u>2,677</u>	<u>0</u>
Total Support Services-General Administration	<u>2,677</u>	<u>2,677</u>	<u>2,677</u>	<u>0</u>
Total Expenditures	\$ <u>188,707</u>	\$ <u>191,207</u>	\$ <u>184,516</u>	\$ <u>6,691</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 108,841	\$ 108,841	\$ 48,472	\$ (60,369)
Cash Balance Beginning of Year	<u>(108,841)</u>	<u>(108,841)</u>	<u>(108,841)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(60,369)</u>	\$ <u>(60,369)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 48,472	
Net change in Due from Grantor			<u>(48,472)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-IDEA, PART B ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 166,840	\$ 166,840	\$ 112,179	\$ (54,661)
Total Revenues	<u>166,840</u>	<u>166,840</u>	<u>112,179</u>	<u>(54,661)</u>
Expenditures				
Instruction				
Personnel Services	45,953	45,929	34,842	11,087
Employee Benefits	<u>18,516</u>	<u>18,540</u>	<u>15,818</u>	<u>2,722</u>
Total Instruction	<u>64,469</u>	<u>64,469</u>	<u>50,660</u>	<u>13,809</u>
Support Services-Students				
Personnel Services	46,000	45,975	45,553	422
Employee Benefits	<u>18,148</u>	<u>18,173</u>	<u>16,480</u>	<u>1,693</u>
Total Support Services-Students	<u>64,148</u>	<u>64,148</u>	<u>62,033</u>	<u>2,115</u>
Total Expenditures	\$ <u>128,617</u>	\$ <u>128,617</u>	\$ <u>112,693</u>	\$ <u>15,924</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 38,223	\$ 38,223	\$ (514)	\$ (38,737)
Cash Balance Beginning of Year	<u>(38,223)</u>	<u>(38,223)</u>	<u>(38,223)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(38,737)</u>	\$ <u>(38,737)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (514)	
Net change in Due from Grantor			<u>514</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-IDEA PART B, DISCRETIONARY IDEA B-24107
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 5,859	\$ 5,859	\$ 5,859	\$ 0
Total Revenues	<u>5,859</u>	<u>5,859</u>	<u>5,859</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	5,859	5,859	5,859	0
Cash Balance Beginning of Year	<u>(5,859)</u>	<u>(5,859)</u>	<u>(5,859)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 5,859	
Net change in Due from Grantor			<u>(5,859)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-21st CENTURY COMMUNITY LEARNING-24119
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 176,000	\$ 88,775	\$ (87,225)
Total Revenues	<u>0</u>	<u>176,000</u>	<u>88,775</u>	<u>(87,225)</u>
Expenditures				
Instruction				
Personnel Services	0	97,109	97,109	0
Employee Benefits	0	14,569	14,569	0
Supplies	0	6,514	6,514	0
Total Instruction	<u>0</u>	<u>118,192</u>	<u>118,192</u>	<u>0</u>
Support Services-Instruction				
Personnel Services	0	36,669	36,669	0
Employee Benefits	0	6,997	6,997	0
Other Purchased Services	0	5,744	5,744	0
Supplies	0	5,507	5,507	0
Total Support Services-Instruction	<u>0</u>	<u>54,917</u>	<u>54,917</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	0	2,891	2,891	0
Total Support Services-General Administration	<u>0</u>	<u>2,891</u>	<u>2,891</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>176,000</u>	<u>176,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(87,225)	(87,225)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (87,225)</u>	<u>\$ (87,225)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (87,225)	
Net change in Due from Grantor			<u>87,225</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE I 1003g GRANTS-24124
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 50,000	\$ 25,582	\$ (24,418)
Total Revenues	<u>0</u>	<u>50,000</u>	<u>25,582</u>	<u>(24,418)</u>
Expenditures				
Instruction				
Personnel Services	0	29,607	29,607	0
Employee Benefits	0	5,093	5,092	1
Professional & Tech Services	0	13,800	13,704	96
Supplies	0	1,500	1,246	254
Total Instruction	<u>0</u>	<u>50,000</u>	<u>49,649</u>	<u>351</u>
Total Expenditures	<u>0</u>	<u>50,000</u>	<u>49,649</u>	<u>351</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(24,067)	(24,067)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (24,067)</u>	<u>\$ (24,067)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (24,067)	
Net change in Due from Grantor			24,067	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE V-A-24150
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 8,725	\$ 8,725	\$ 8,725	\$ 0
Total Revenues	<u>8,725</u>	<u>8,725</u>	<u>8,725</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	8,725	8,725	8,725	0
Cash Balance Beginning of Year	<u>(8,725)</u>	<u>(8,725)</u>	<u>(8,725)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 8,725	
Net change in Due from Grantor			<u>(8,725)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-ENGLISH LANGUAGE ACQUISITION-24153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 47,107	\$ 56,889	\$ 29,011	\$ (27,878)
Total Revenues	<u>47,107</u>	<u>56,889</u>	<u>29,011</u>	<u>(27,878)</u>
Expenditures				
Instruction				
Personnel Services	0	3,836	1,225	2,611
Employee Benefits	0	251	249	2
Professional & Tech Services	0	3,087	3,087	0
Other Purchased Services	3,476	12,010	10,285	1,725
Supplies	<u>17,537</u>	<u>11,611</u>	<u>598</u>	<u>11,013</u>
Total Instruction	<u>21,013</u>	<u>30,795</u>	<u>15,444</u>	<u>15,351</u>
Support Services-General Administration				
Professional & Tech Services	<u>463</u>	<u>463</u>	<u>292</u>	<u>171</u>
Total Support Services-General Administration	<u>463</u>	<u>463</u>	<u>292</u>	<u>171</u>
Total Expenditures	\$ <u>21,476</u>	\$ <u>31,258</u>	\$ <u>15,736</u>	\$ <u>15,522</u>
Excess (Deficiency) of Revenues Over Expenditures	25,631	25,631	13,275	(12,356)
Cash Balance Beginning of Year	<u>(25,631)</u>	<u>(25,631)</u>	<u>(25,631)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(12,356)</u>	\$ <u>(12,356)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 13,275	
Net change in Due from Grantor			<u>(13,275)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TEACHER/PRINCIPAL TRAINING & RECRUITING-24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 76,318	\$ 82,318	\$ 43,079	\$ (39,239)
Total Revenues	<u>76,318</u>	<u>82,318</u>	<u>43,079</u>	<u>(39,239)</u>
Expenditures				
Instruction				
Personnel Services	45,000	45,000	27,103	17,897
Employee Benefits	14,007	14,007	9,031	4,976
Professional & Tech Services	0	6,000	786	5,214
Total Instruction	<u>59,007</u>	<u>65,007</u>	<u>36,920</u>	<u>28,087</u>
Support Services-General Administration				
Professional & Tech Services	847	847	673	174
Total Support Services-General Administration	<u>847</u>	<u>847</u>	<u>673</u>	<u>174</u>
Total Expenditures	<u>59,854</u>	<u>65,854</u>	<u>37,593</u>	<u>28,261</u>
Excess (Deficiency) of Revenues Over Expenditures	16,464	16,464	5,486	(10,978)
Cash Balance Beginning of Year	<u>(16,464)</u>	<u>(16,464)</u>	<u>(16,464)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (10,978)</u>	<u>\$ (10,978)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 5,486	
Net change in Due from Grantor			<u>(5,486)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-SAFE & DRUG FREE SCHOOLS-24157
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 4,249	\$ 4,249	\$ 4,249	\$ 0
Total Revenues	<u>4,249</u>	<u>4,249</u>	<u>4,249</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	4,249	4,249	4,249	0
Cash Balance Beginning of Year	<u>(4,249)</u>	<u>(4,249)</u>	<u>(4,249)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 4,249	
Net change in Due from Grantor			<u>(4,249)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-CARL D PERKINS-HSTW-24180
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 23,332	\$ 23,832	\$ 18,690	\$ (5,142)
Total Revenues	<u>23,332</u>	<u>23,832</u>	<u>18,690</u>	<u>(5,142)</u>
Expenditures				
Instruction				
Professional & Tech Services	3,500	3,500	410	3,090
Other Purchased Services	<u>7,030</u>	<u>7,030</u>	<u>6,580</u>	<u>450</u>
Total Instruction	<u>10,530</u>	<u>10,530</u>	<u>6,990</u>	<u>3,540</u>
Support Services-Students				
Other Purchased Services	<u>0</u>	<u>762</u>	<u>761</u>	<u>1</u>
Total Support Services-Students	<u>0</u>	<u>762</u>	<u>761</u>	<u>1</u>
Support Services-General Administration				
Other Purchased Services	<u>4,000</u>	<u>4,564</u>	<u>4,563</u>	<u>1</u>
Total Support Services-General Administration	<u>4,000</u>	<u>4,564</u>	<u>4,563</u>	<u>1</u>
Support Services-School Administration				
Professional & Tech Services	1,500	765	765	0
Other Purchased Services	<u>2,000</u>	<u>1,909</u>	<u>1,875</u>	<u>34</u>
Total Support Services-School Administration	<u>3,500</u>	<u>2,674</u>	<u>2,640</u>	<u>34</u>
Total Expenditures	<u>18,030</u>	<u>18,530</u>	<u>14,954</u>	<u>3,576</u>
Excess (Deficiency) of Revenues Over Expenditures	5,302	5,302	3,736	(1,566)
Cash Balance Beginning of Year	<u>(5,302)</u>	<u>(5,302)</u>	<u>(5,302)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(1,566)</u>	\$ <u>(1,566)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,736	
Net change in Due from Grantor			<u>(3,736)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE I-STIMULUS-24201
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 36,640	\$ 0	\$ (36,640)
Total Revenues	<u>0</u>	<u>36,640</u>	<u>0</u>	<u>(36,640)</u>
Expenditures				
Support Services-Students				
Personnel Services	0	30,100	30,100	0
Employee Benefits	<u>0</u>	<u>5,637</u>	<u>5,480</u>	<u>157</u>
Total Support Services-Students	<u>0</u>	<u>35,737</u>	<u>35,580</u>	<u>157</u>
Support Services-General Administration				
Professional & Tech Services	<u>0</u>	<u>903</u>	<u>687</u>	<u>216</u>
Total Support Services-General Administration	<u>0</u>	<u>903</u>	<u>687</u>	<u>216</u>
Total Expenditures	<u>0</u>	<u>36,640</u>	<u>36,267</u>	<u>373</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(36,267)	(36,267)
Cash Balance Beginning of Year	\$ 0	\$ 0	\$ 0	\$ 0
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (36,267)</u>	<u>\$ (36,267)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (36,267)	
Net change in Due from Grantor			<u>36,267</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-IMPACT AID SPECIAL EDUCATION-25145
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$	\$	\$	\$
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>28,532</u>	<u>28,532</u>	<u>28,532</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 28,532</u>	<u>\$ 28,532</u>	<u>\$ 28,532</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE XIX MEDICAID-25153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 0	\$ 94,257	\$ 107,833	\$ 13,576
Total Revenues	<u>0</u>	<u>94,257</u>	<u>107,833</u>	<u>13,576</u>
Expenditures				
Support Services-Students				
Personnel Services	0	62,031	61,878	153
Employee Benefits	0	18,143	18,076	67
Professional & Tech Services	0	12,083	3,352	8,731
Supplies	0	2,000	258	1,742
Total Support Services-Students	<u>0</u>	<u>94,257</u>	<u>83,564</u>	<u>10,693</u>
Total Expenditures	<u>0</u>	<u>94,257</u>	<u>83,564</u>	<u>10,693</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	24,269	24,269
Cash Balance Beginning of Year	<u>2,085</u>	<u>2,085</u>	<u>2,085</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,085</u>	<u>\$ 2,085</u>	<u>\$ 26,354</u>	<u>\$ 24,269</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 24,269	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 24,269</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-MODEL STATE-SUPP HEALTH ED CTR-25172
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$	\$	\$	\$
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-GEAR UP USDE-25211
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 600	\$ 600	\$ 600	\$ 0
Total Revenues	<u>600</u>	<u>600</u>	<u>600</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	600	600	600	0
Cash Balance Beginning of Year	<u>(600)</u>	<u>(600)</u>	<u>(600)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 600	
Net change in Due from Grantor			<u>(600)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-NEWSPAPER ASSOCIATION OF AMERICA-26105
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$	\$	\$	\$
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>456</u>	<u>456</u>	<u>456</u>	<u>0</u>
Cash Balance End of Year	\$ <u><u>456</u></u>	\$ <u><u>456</u></u>	\$ <u><u>456</u></u>	\$ <u><u>0</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u><u>0</u></u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-LANL FOUNDATION-26113
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 21,257	\$ 21,112	\$ (145)
Total Revenues	<u>0</u>	<u>21,257</u>	<u>21,112</u>	<u>(145)</u>
Expenditures				
Instruction				
Employee Benefits	0	319	319	0
Professional & Tech Services	0	15,000	4,787	10,213
Other Purchased Services	0	19,315	12,018	7,297
Supplies	0	5,698	4,020	1,678
Supply Assets	0	2,240	2,239	1
Total Instruction	<u>0</u>	<u>42,572</u>	<u>23,383</u>	<u>19,189</u>
Total Expenditures	<u>0</u>	<u>42,572</u>	<u>23,383</u>	<u>19,189</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(21,315)	(2,271)	19,044
Cash Balance Beginning of Year	<u>21,315</u>	<u>21,315</u>	<u>21,315</u>	<u>0</u>
Cash Balance End of Year	\$ <u>21,315</u>	\$ <u>0</u>	\$ <u>19,044</u>	\$ <u>19,044</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,271)	
Net change in Payables			<u>438</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(1,833)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-CENTER FOR ED & STUDY OF DIVERSE-26146
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>384</u>	<u>384</u>	<u>384</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 384</u>	<u>\$ 384</u>	<u>\$ 384</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TECHNOLOGY FOR EDUCATION-27117
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 12,851	\$ 12,851	\$ 0
Total Revenues	<u>0</u>	<u>12,851</u>	<u>12,851</u>	<u>0</u>
Expenditures				
Instruction				
Professional & Tech Services	0	7,000	2,020	4,980
Other Purchased Services	0	5,252	5,045	207
Supplies	0	12,381	9,841	2,540
Supply Assets	0	391	289	102
Total Instruction	<u>0</u>	<u>25,024</u>	<u>17,195</u>	<u>7,829</u>
Total Expenditures	<u>0</u>	<u>25,024</u>	<u>17,195</u>	<u>7,829</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(12,173)	(4,344)	7,829
Cash Balance Beginning of Year	<u>12,173</u>	<u>12,173</u>	<u>12,173</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 12,173</u>	<u>\$ 0</u>	<u>\$ 7,829</u>	<u>\$ 7,829</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,344)	
Net Change in Payables			(243)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (4,587)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-INCENTIVES FOR SCHOOL IMPROVEMENT-27138
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	2,084	2,084	451	1,633
Total Instruction	<u>2,084</u>	<u>2,084</u>	<u>451</u>	<u>1,633</u>
Total Expenditures	<u>2,084</u>	<u>2,084</u>	<u>451</u>	<u>1,633</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,084)	(2,084)	(451)	1,633
Cash Balance Beginning of Year	<u>2,084</u>	<u>2,084</u>	<u>2,084</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,633</u>	<u>\$ 1,633</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (451)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (451)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-PRE K INITIATIVE-27149
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 78,365	\$ 37,411	\$ (40,954)
Total Revenues	<u>0</u>	<u>78,365</u>	<u>37,411</u>	<u>(40,954)</u>
Expenditures				
Instruction				
Personnel Services	0	45,226	45,226	0
Employee Benefits	0	18,308	18,009	299
Supplies	0	8,991	4,575	4,416
Total Instruction	<u>0</u>	<u>72,525</u>	<u>67,810</u>	<u>4,715</u>
Student Transportation				
Personnel Services	0	4,843	4,843	0
Employee Benefits	0	997	996	1
Total Student Transportation	<u>0</u>	<u>5,840</u>	<u>5,839</u>	<u>1</u>
Total Expenditures	<u>0</u>	<u>78,365</u>	<u>73,649</u>	<u>4,716</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(36,238)	(36,238)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (36,238)</u>	<u>\$ (36,238)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (36,238)	
Net change in Due from Grantor			<u>36,238</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-BEGINNING TEACHER MENTORING-27154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 4,012	\$ 4,012	\$ 0
Total Revenues	<u>0</u>	<u>4,012</u>	<u>4,012</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	2,600	2,600	0
Employee Benefits	0	536	533	3
Supplies	<u>0</u>	<u>876</u>	<u>436</u>	<u>440</u>
Total Instruction	<u>0</u>	<u>4,012</u>	<u>3,569</u>	<u>443</u>
Total Expenditures	<u>0</u>	<u>4,012</u>	<u>3,569</u>	<u>443</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	443	443
Cash Balance Beginning of Year	<u>1,417</u>	<u>1,417</u>	<u>1,417</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,417</u>	<u>\$ 1,417</u>	<u>\$ 1,860</u>	<u>\$ 443</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 443	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 443</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-BREAKFAST FOR ELEMENTARY STUDENTS-27155
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 11,791	\$ 11,790	\$ (1)
Total Revenues	<u>0</u>	<u>11,791</u>	<u>11,790</u>	<u>(1)</u>
Expenditures				
Food Services Operations				
Supplies	0	11,791	11,791	0
Total Food Services Operations	<u>0</u>	<u>11,791</u>	<u>11,791</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>11,791</u>	<u>11,791</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(1)	(1)
Cash Balance Beginning of Year	<u>2,197</u>	<u>2,197</u>	<u>2,197</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,197</u>	<u>\$ 2,197</u>	<u>\$ 2,196</u>	<u>\$ (1)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (1)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-SCHOOL IN NEED OF IMPROVEMENT-27163
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 18,867	\$ 18,867	\$ 18,867	\$ 0
Total Revenues	<u>18,867</u>	<u>18,867</u>	<u>18,867</u>	<u>0</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	18,867	18,867	18,867	0
Cash Balance Beginning of Year	<u>(18,867)</u>	<u>(18,867)</u>	<u>(18,867)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 18,867	
Net change in Due from Grantor			<u>(18,867)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-LAWS OF NEW MEXICO-27165
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 11,653	\$ 13,443	\$ 11,606	\$ (1,837)
Total Revenues	<u>11,653</u>	<u>13,443</u>	<u>11,606</u>	<u>(1,837)</u>
Expenditures				
Instruction				
Supplies	0	290	267	23
Supply Assets	<u>0</u>	<u>1,500</u>	<u>0</u>	<u>1,500</u>
Total Instruction	<u>0</u>	<u>1,790</u>	<u>267</u>	<u>1,523</u>
Total Expenditures	<u>0</u>	<u>1,790</u>	<u>267</u>	<u>1,523</u>
Excess (Deficiency) of Revenues Over Expenditures	11,653	11,653	11,339	(314)
Cash Balance Beginning of Year	<u>(11,653)</u>	<u>(11,653)</u>	<u>(11,653)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (314)</u>	<u>\$ (314)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 11,339	
Net change in Due from Grantor			<u>(11,339)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-LIBRARY GO BONDS-27170
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 11,653	\$ 11,653	\$ 7,968	\$ (3,685)
Total Revenues	<u>11,653</u>	<u>11,653</u>	<u>7,968</u>	<u>(3,685)</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	11,653	11,653	7,968	(3,685)
Cash Balance Beginning of Year	<u>(7,968)</u>	<u>(7,968)</u>	<u>(7,968)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 3,685</u>	<u>\$ 3,685</u>	<u>\$ 0</u>	<u>\$ (3,685)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 7,968	
Net change in Due from Grantor			<u>(7,968)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-RURAL REVITALIZATION-27503
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 8,000	\$ 8,000	\$ 0
Total Revenues	<u>0</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Expenditures				
Instruction				
Other Purchased Services	0	8,000	8,000	0
Total Instruction	<u>0</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-NEW MEXICO OUTDOOR CLASSROOM-27504
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 3,000	\$ 0	\$ (3,000)
Total Revenues	<u>0</u>	<u>3,000</u>	<u>0</u>	<u>(3,000)</u>
Expenditures				
Instruction				
Supplies	0	2,000	1,996	4
Property	<u>0</u>	<u>1,000</u>	<u>988</u>	<u>12</u>
Total Instruction	<u>0</u>	<u>3,000</u>	<u>2,984</u>	<u>16</u>
Total Expenditures	<u>0</u>	<u>3,000</u>	<u>2,984</u>	<u>16</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(2,984)	(2,984)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,984)</u>	<u>\$ (2,984)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,984)	
Net change in Due from Grantor			<u>2,984</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-GEAR UP CHE-28178
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 10,550	\$ 33,687	\$ 17,796	\$ (15,891)
Total Revenues	<u>10,550</u>	<u>33,687</u>	<u>17,796</u>	<u>(15,891)</u>
Expenditures				
Instruction				
Personnel Services	0	10,517	3,842	6,675
Employee Benefits	0	2,528	357	2,171
Other Purchased Services	0	3,750	1,262	2,488
Supplies	0	932	575	357
Total Instruction	<u>0</u>	<u>17,727</u>	<u>6,036</u>	<u>11,691</u>
Support Services-Instruction				
Personnel Services	0	4,500	4,500	0
Employee Benefits	0	910	910	0
Total Support Services-Instruction	<u>0</u>	<u>5,410</u>	<u>5,410</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>23,137</u>	<u>11,446</u>	<u>11,691</u>
Excess (Deficiency) of Revenues Over Expenditures	10,550	10,550	6,350	(4,200)
Cash Balance Beginning of Year	<u>(10,550)</u>	<u>(10,550)</u>	<u>(10,550)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (4,200)</u>	<u>\$ (4,200)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 6,350	
Net change in Due from Grantor			<u>(6,350)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-YES I CAN-29102
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Food Services Operation				
Professional & Tech Services	0	1,586	1,585	1
Supplies	8,500	6,914	6,031	883
Total Food Services Operation	<u>8,500</u>	<u>8,500</u>	<u>7,616</u>	<u>884</u>
Excess (Deficiency) of Revenues Over Expenditures	(8,500)	(8,500)	(7,616)	884
Cash Balance Beginning of Year	<u>8,500</u>	<u>8,500</u>	<u>8,500</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>884</u>	\$ <u>884</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(7,616)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(7,616)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-BOND BUILDING-31100
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Investment Income	\$ 0	\$ 0	\$ 6,450	\$ (6,450)
Total Revenues	<u>0</u>	<u>0</u>	<u>6,450</u>	<u>(6,450)</u>
Expenditures				
Capital Outlay				
Building Improvements	<u>513,450</u>	<u>513,450</u>	<u>59,794</u>	<u>453,656</u>
Total Capital Outlay	<u>513,450</u>	<u>513,450</u>	<u>59,794</u>	<u>453,656</u>
Total Expenditures	<u>513,450</u>	<u>513,450</u>	<u>59,794</u>	<u>453,656</u>
Excess (Deficiency) of Revenues Over Expenditures	(513,450)	(513,450)	(53,344)	460,106
Cash Balance Beginning of Year	<u>516,830</u>	<u>516,830</u>	<u>516,830</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 3,380</u>	<u>\$ 3,380</u>	<u>\$ 463,486</u>	<u>\$ 460,106</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (53,344)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (53,344)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-PUBLIC SCHOOL CAPITAL OUTLAY-31200
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 476	\$ 518,956	\$ 0	\$ 518,956
Total Revenues	<u>476</u>	<u>518,956</u>	<u>0</u>	<u>518,956</u>
Expenditures				
Capital Outlay				
Building Improvements	0	518,480	67,945	450,535
Total Capital Outlay	<u>0</u>	<u>518,480</u>	<u>67,945</u>	<u>450,535</u>
Total Expenditures	<u>0</u>	<u>518,480</u>	<u>67,945</u>	<u>450,535</u>
Excess (Deficiency) of Revenues Over Expenditures	476	476	(67,945)	(68,421)
Cash Balance Beginning of Year	<u>(476)</u>	<u>(476)</u>	<u>(476)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (68,421)</u>	<u>\$ (68,421)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (67,945)	
Net Change in Due from Grantor			<u>67,945</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-SPECIAL SCHOOL CAPITAL OUTLAY-STATE-31400
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 250,000	\$ 250,000	\$ 31,376	\$ 218,624
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>31,376</u>	<u>218,624</u>
Expenditures				
Capital Outlay				
Fixed Assets	0	250,000	31,376	218,624
Total Capital Outlay	<u>0</u>	<u>250,000</u>	<u>31,376</u>	<u>218,624</u>
Total Expenditures	<u>0</u>	<u>250,000</u>	<u>31,376</u>	<u>218,624</u>
Excess (Deficiency) of Revenues Over Expenditures	250,000	0	0	0
Cash Balance Beginning of Year	<u>23</u>	<u>23</u>	<u>23</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 250,023</u>	<u>\$ 23</u>	<u>\$ 23</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-PUBLIC SCHOOL CAPITAL OUTLAY 20%-32100
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Operation & Maintenance of Plant				
Purchased Property Services	<u>18,239</u>	<u>18,239</u>	<u>13,727</u>	<u>4,512</u>
Total Operation & Maintenance of Plant	<u>18,239</u>	<u>18,239</u>	<u>13,727</u>	<u>4,512</u>
Excess (Deficiency) of Revenues Over Expenditures	(18,239)	(18,239)	(13,727)	4,512
Cash Balance Beginning of Year	<u>18,239</u>	<u>18,239</u>	<u>18,239</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>4,512</u>	\$ <u>4,512</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(13,727)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(13,727)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-ED. TECH DEBT SERVICE-43000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 1,777	\$ 1,777	\$ 551	\$ 1,226
Total Revenues	<u>1,777</u>	<u>1,777</u>	<u>551</u>	<u>1,226</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	18	18	6	12
Total Support Services-General Administration	<u>18</u>	<u>18</u>	<u>6</u>	<u>12</u>
Excess (Deficiency) of Revenues Over Expenditures	1,759	1,759	545	(1,214)
Cash Balance Beginning of Year	<u>12,611</u>	<u>12,611</u>	<u>12,611</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 14,370</u>	<u>\$ 14,370</u>	<u>\$ 13,156</u>	<u>\$ (1,214)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 545	
Net Change in Taxes Receivable			<u>(127)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 418</u>	

The notes to the financial statements are an integral part of this statement.

OTHER SUPPLEMENTAL INFORMATION

FIDUCIARY FUND

Activity Trust Fund

To account for funds of various student groups that are custodial in nature.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 AGENCY FUNDS - ACTIVITY
 Schedule of Fiduciary Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2009

	Balance 06/30/08	Additions	Deletions	Balance 06/30/09
ASSETS				
Band	\$ 1,381	\$ 0	\$ 0	\$ 1,381
Cheerleaders	3,966	2,681	4,546	2,101
HS Sunshine Club (Stsff)	678	0	75	603
Jurewich Plant	160	0	0	160
High School Girls Softball	300	1,240	746	794
Class of 2011	664	1,220	39	1,845
Rural Revitalization	1,414	14,211	15,625	0
General Fund/ Unused Balance	14,959	0	7,406	7,553
Class of 2010	2,078	3,489	3,883	1,684
Enchantment	625	1,535	0	2,160
FCCLA	27	0	0	27
HS Student Council	610	713	698	625
MS Activity	87	545	529	103
HS Library	265	1,628	1,703	190
HS Boys Basketball	684	3,185	812	3,057
National Honor Society	1,272	0	272	1,000
BPA	238	0	0	238
Background Checks	0	614	614	0
Class of 2012	0	422	20	402
Spanish Club	890	1,070	465	1,495
Sanchez Scholarship	1,135	720	300	1,555
Needy Children	238	0	0	238
Elementary Activity	595	620	901	314
General Activity	1,227	25	130	1,122
Insurance Fund	7,020	37	0	7,057
HS General Activity	5,112	254	98	5,268
HS Mesa	57	200	0	257
Volleyball	1,492	1,433	1,825	1,100
MS Mesa	1,209	200	0	1,409
Baseball	681	2,236	1,624	1,293
HS Girls Basketball	2,011	2,388	2,352	2,047
Mariachi	3,678	7,289	7,407	3,560
Cross Country	1,197	3,301	1,835	2,663
MS Student Council	1,470	2,171	1,367	2,274
MS Girls Basketball	464	0	0	464
MS National Jr Honor Society	0	228	228	0
Elementary Library	5,230	7,886	7,227	5,889
Elementary Cheerleaders	1	2,825	2,704	122
Kinder Rogers	30	250	168	112
MS Fundraising	12,288	0	3,180	9,108
MS Well Being	104	0	0	104
MS Cheerleaders	285	350	597	38
MS Lost Book Fund	0	0	0	0
Kinder/MS Anderson	219	0	0	219
Varsity Track	\$ 555	\$ 1,540	\$ 1,736	\$ 359

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 AGENCY FUNDS - ACTIVITY
 Schedule of Fiduciary Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2009

	Balance 06/30/08	Additions	Deletions	Balance 06/30/09
Locker/HS	\$ 1,549	\$ 580	\$ 0	\$ 2,129
Elementary Yearbook	5,798	3,281	2,848	6,231
Elementary Arts Fund	0	50	0	50
MS CC & Track	76	0	0	76
Ancillary	380	0	250	130
Bilingual	483	0	0	483
Literacy Night/Accelerated Reader	778	0	0	778
Journalism	770	0	0	770
Class of 2007	406	0	0	406
Athletics-General Fund	515	0	0	515
NMPSIA	387	65,271	64,314	1,344
6th Grade Special Education	398	0	0	398
HS Wrestling	450	2,064	433	2,081
David Ules Ruiz Scholarship	475	0	0	475
District 8-AA	1,382	0	0	1,382
Principal's Incentive Award	19,693	22,725	20,226	22,192
Laptop Deposits	5,695	0	0	5,695
Adrian Quintana Memorial	2,048	0	1,000	1,048
Class of 2008	1,332	0	0	1,332
Diego Quintana Scholarship	3,000	0	3,000	0
Class of 2009	161	3,278	3,151	288
Mid School Yearbook	1,607	1,316	0	2,923
Total Assets	<u>\$ 123,979</u>	<u>\$ 165,071</u>	<u>\$ 166,334</u>	<u>\$ 122,716</u>
LIABILITIES				
Deposits Held for Others	<u>\$ 123,979</u>	<u>\$ 165,071</u>	<u>\$ 166,334</u>	<u>\$ 122,716</u>
Total Liabilities	<u>\$ 123,979</u>	<u>\$ 165,071</u>	<u>\$ 166,334</u>	<u>\$ 122,716</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 CASH RECONCILIATION-ALL FUNDS
 For the Year Ended June 30, 2009

		Beginning Cash	Revenue	Expenditures	Transfer/ Loans	Ending Cash
Operations	11000	\$ 700,843	\$ 7,303,870	\$ 7,472,379	0	\$ 532,334
Teacherage	12000	52,587	16,725	5,023	0	64,289
Transportation	13000	0	356,741	355,524	0	1,217
Instructional Materials	14000	13,711	66,934	36,048	0	44,597
Food Services	21000	280	355,741	334,021	0	22,000
Athletics	22000	210,329	39,539	31,011	0	218,857
Federal Flowthrough	24000	(213,293)	569,137	627,409	0	(271,565)
Federal Direct	25000	31,018	108,432	83,564	0	55,886
Local Grants	26000	22,155	21,111	23,383	0	19,883
State Flowthrough	27000	(20,617)	114,559	117,905	0	(23,963)
State Direct	28000	(10,550)	17,797	11,446	0	(4,199)
Local/State	29000	11,573	0	7,616	0	3,957
Bond Building	31100	516,830	6,449	59,793	0	463,486
PSCOC	31200	(476)	0	67,945	0	(68,421)
Special CO State	31400	23	31,376	31,376	0	23
SB-9	31700	250,799	487,841	140,728	0	597,912
PSCO-20%	32100	18,239	0	13,727	0	4,512
Debt Service	41000	353,478	360,584	368,642	0	345,420
Ed Tech Debt Service	43000	12,611	551	6	0	13,156
Agency Funds		123,977	165,073	166,334	0	122,716
Total		\$ 2,073,517	10,022,460	9,953,880	0	2,142,097

The notes to the financial statements are an integral part of this statement.

FEDERAL COMPLIANCE

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2009

Federal Agency/Pass Through Grantor/Program Title	Federal CFDA Number	State ID Number	Total Federal Awards Expended
<u>U. S. Department of Agriculture</u>			
Pass-through State Public Education Department: USDA National School Lunch Program	10.555	21000	\$ 331,442
Pass-through State Department of Human Services: USDA Commodities Program	10.55	21000	(1) 24,050
Direct Program Forest Reserve	10.67	11000	<u>44,606</u>
Total U. S. Department of Agriculture			<u>400,098</u>
<u>U. S. Department of Education</u>			
PASS-THROUGH PROGRAM FROM:			
New Mexico Department of Education			
Title I	84.010	24101	270,433
IDEA, Part B, Entitlement	84.027	24106	112,694
21st Century	84.287	24119	176,000
Title III	84.365	24153	15,736
Title II	84.367	24154	37,593
Carl Perkins	84.048	24180	<u>14,954</u>
Total U. S. Department of Education			<u>627,410</u>
Total Federal Assistance			\$ <u><u>1,027,508</u></u>

(1) Non-cash assistance

See accompanying notes to the Schedule of Expenditures of Federal Awards

Note 1: Significant Accounting Policies used in preparing the Schedule of Expenditure of Federal Awards

The modified accrual basis was used to prepare the Schedule of Expenditures of Federal Awards

Note 2: Insurance Requirements

There are no insurance requirements on the federal awards disclosed on the Schedule of Expenditures of Federal Awards

Note 3: Loans or Loan Guarantees

There were no loans or loan guarantees outstanding at year end.

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*

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the PECOS INDEPENDENT SCHOOL DISTRICT

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, the budgetary comparisons for the General Fund and major special revenue fund, and the combining individual funds presented as supplemental information of the PECOS INDEPENDENT SCHOOL DISTRICT, (District), as of and for the year ended June 30, 2009, and have issued our report thereon dated November 6, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, a combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of management, the New Mexico State Legislature and its committees, the Office of the State Auditor, the New Mexico Department of Finance and Administration, and federal awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than these specified parties.

De'Ann Willoughby CPA PC

November 6, 2009

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Report on Compliance With Requirements
Applicable To Each Major Program and Internal Control
Over Compliance in Accordance With OMB Circular A-133

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the PECOS INDEPENDENT SCHOOL DISTRICT

Compliance

Mr. Balderas and Members of the Board

We have audited the compliance of PECOS INDEPENDENT SCHOOL DISTRICT (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, 2009. 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. Our responsibility is for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance.

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

In our opinion, the District, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

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

A control deficiency in an entity's internal control over compliance exists when the design or operation of 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 significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weakness.

This report is intended solely for the information and use of the administration, the board members, the Public Education Department, the Office of the State Auditor, the New Mexico State Legislature and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

De'Ann Willoughby CPA PC

November 6, 2009

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2009

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting

- * Significant deficiencies ___ yes X no
- * Significant deficiency(ies) identified that are not considered to be material weaknesses? ___ yes X none reported
- Noncompliance material to financial statements noted? ___ yes X no

Federal Awards

Internal control over major programs:

- * Significant deficiencies ___ yes X no
- * Significant deficiency(ies) identified that are not considered to be material weaknesses? ___ yes X none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133 ___ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program of Cluster</u>
10.555	Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low risk auditee X yes ___ no

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

Prior Year Audit Findings

There were no prior year audit findings.

Current Year Audit Findings

There were no current year audit findings.

Financial Statement Preparation

The financial statements were prepared by De'Aun Willoughby CPA. However, they are the responsibility of management.

Exit Conference

An exit conference was held on November 6, 2009. Those present were Harold Garcia-Board secretary, Roy Herrera-Superintendent, Brenda Gallegos-Business Manager, and De'Aun Willoughby, CPA.