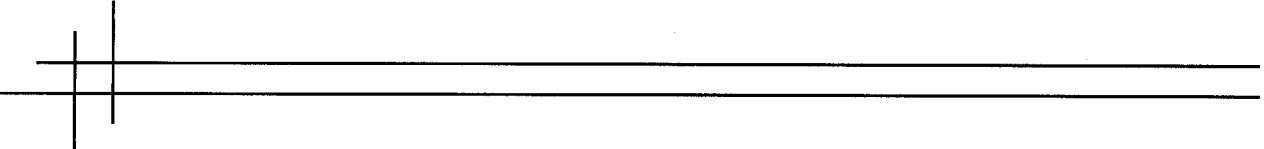




STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**

**ANNUAL FINANCIAL REPORT**  
June 30, 2008

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



STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
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 For the Year Ended June 30, 2008

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**PECOS INDEPENDENT SCHOOL DISTRICT**  
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STATE OF NEW MEXICO  
PECOS INDEPENDENT SCHOOL DISTRICT  
Official Roster  
June 30, 2008

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**BOARD OF EDUCATION**

Paul C De Baca	President
Mary Ann Vigil	Vice-President
Harold J. Garcia	Secretary
Grady Barrens	Member
James Varela	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

(505) 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, 2008, 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, 2008, 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, 2008, 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, 2008, 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 15, 2008, 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 15, 2008

**FINANCIAL SECTION**

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
Statement of Net Assets  
June 30, 2008

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Cash Equivalents	\$ 1,389,065
Investments	560,472
Taxes Receivable	14,151
Due from Grantor	263,628
Inventory	1,301
Total Current Assets	<u>2,228,617</u>
Noncurrent Assets	
Capital Assets	18,719,805
Less: Accumulated Depreciation	<u>(7,777,883)</u>
Total Noncurrent Assets	<u>10,941,922</u>
Total Assets	<u>13,170,539</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	18,773
Accrued Interest	37,170
Deferred Revenue	1,110
Current Portion of Long-Term Debt	285,000
Total Current Liabilities	<u>342,053</u>
Noncurrent Liabilities	
Bonds and Notes, Net	1,621,832
Compensated Absences	48,339
Total Noncurrent Liabilities	<u>1,670,171</u>
Total Liabilities	<u>2,012,224</u>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	9,035,090
Restricted for:	
Capital Projects	516,830
Debt Service	40,724
Unrestricted	1,565,671
Total Net Assets	<u>\$ 11,158,315</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
Statement of Activities  
For the Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities</b>					
Instruction	\$ 5,134,339	33,249	\$ 541,511	\$ 0	\$ (4,559,579)
Support Services-Students	1,364,462	0	116,988	0	(1,247,474)
Support Services-Instruction	319,657	0	38,674	0	(280,983)
General Administration	544,192	0	7,007	0	(537,185)
School Administration	517,298	0	1,156	0	(516,142)
Central Services	234,685	0	0	0	(234,685)
Operation of Plant	1,339,628	0	0	0	(1,339,628)
Student Transportation	416,578	0	462,016	0	45,438
Food Services Operations	451,362	27,620	346,924	0	(76,818)
Depreciation	42,607	0	0	0	(42,607)
Interest on Long-Term Obligations	83,333	0	0	0	(83,333)
Total Governmental Activities	<u>\$ 10,448,141</u>	<u>\$ 60,869</u>	<u>\$ 1,514,276</u>	<u>\$ 0</u>	<u>\$ (8,872,996)</u>
<b>General Revenues</b>					
Taxes					
Property Taxes, Levied for General Purposes				\$	11,222
Property Taxes, Levied for Debt Service					354,614
Property Taxes, Levied for Capital Projects					177,852
Federal and State aid not restricted to specific purpose					
General					8,170,713
Capital					0
Interest and investment earnings					54,384
Miscellaneous					38,444
Subtotal, General Revenues					<u>8,807,229</u>
Change in Net Assets					<u>(65,767)</u>
Net Assets - Beginning					
Restatement					12,030,278
Restated Beginning Net Assets					<u>(806,196)</u>
					<u>11,224,082</u>
Net Assets - ending				\$	<u>11,158,315</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, 2008

	General Fund		
	Operational Fund 11000	Teacherage Fund 12000	Transportation Fund 13000
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 437,911	\$ 52,586	\$ 0
Investments	0	0	0
Receivables			
Taxes	269	0	0
Due From Grantor	0	0	110
Interfund Balance	262,932	0	0
Inventory	0	0	0
Total Assets	<u>\$ 701,112</u>	<u>\$ 52,586</u>	<u>\$ 110</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	18,225	0	110
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>18,225</u>	<u>0</u>	<u>110</u>
<b>Fund Balances</b>			
<b>Reserved for:</b>			
Capital Improvements	0	0	0
Retirement of Long-Term Debt	0	0	0
<b>Unreserved, Undesignated, reported in:</b>			
General Fund	682,887	52,586	0
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balances	<u>682,887</u>	<u>52,586</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 701,112</u>	<u>\$ 52,586</u>	<u>\$ 110</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, 2008

	Instructional Materials Fund 14000	Title I 24101	Bond Building 31100
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 13,711	\$ 0	\$ 16,830
Investments	0	0	500,000
Receivables			
Taxes	0	0	0
Due From Grantor	0	108,841	0
Interfund Balance	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 13,711</u>	<u>\$ 108,841</u>	<u>\$ 516,830</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Interfund Balance	\$ 0	\$ 108,841	\$ 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>108,841</u>	<u>0</u>
<b>Fund Balances</b>			
<b>Reserved for:</b>			
Capital Improvements	0	0	0
Retirement of Long-Term Debt	0	0	0
<b>Unreserved, Undesignated, reported in:</b>			
General Fund	13,711	0	0
Special Revenue Funds	0	0	0
Capital Projects	0	0	516,830
Total Fund Balances	<u>13,711</u>	<u>0</u>	<u>516,830</u>
Total Liabilities and Fund Balances	<u>\$ 13,711</u>	<u>\$ 108,841</u>	<u>\$ 516,830</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, 2008

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	Senate Bill Nine 31700	Debt Service 41000	Other Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 250,799	\$ 293,006	\$ 324,222
Investments	0	60,472	0
Receivables			
Taxes	4,326	9,416	140
Due From Grantor	0	0	154,677
Interfund Balance	0	0	0
Inventory	0	0	1,301
<b>Total Assets</b>	<b>\$ <u>255,125</u></b>	<b>\$ <u>362,894</u></b>	<b>\$ <u>480,340</u></b>
 <b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Interfund Balance	\$ 0	\$ 0	\$ 154,091
Accounts Payable	0	0	438
Current Portion Due			
Principal	0	285,000	0
Interest	0	37,170	0
Deferred Revenue	0	0	1,110
<b>Total Liabilities</b>	<b><u>0</u></b>	<b><u>322,170</u></b>	<b><u>155,639</u></b>
 <b>Fund Balances</b>			
<b>Reserved for:</b>			
Capital Improvements	0	0	18,262
Retirement of Long-Term Debt	0	40,724	12,751
<b>Unreserved, Undesignated, reported in:</b>			
General Fund	0	0	0
Special Revenue Funds	0	0	293,688
Capital Projects	255,125	0	0
<b>Total Fund Balances</b>	<b><u>255,125</u></b>	<b><u>40,724</u></b>	<b><u>324,701</u></b>
 <b>Total Liabilities and Fund Balances</b>	 <b>\$ <u>255,125</u></b>	 <b>\$ <u>362,894</u></b>	 <b>\$ <u>480,340</u></b>

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, 2008

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	<u>Total Governmental Funds</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,389,065
Investments	560,472
Receivables	
Taxes	14,151
Due From Grantor	263,628
Interfund Balance	262,932
Inventory	1,301
Total Assets	<u>\$ 2,491,549</u>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>Liabilities</b>	
Interfund Balance	\$ 262,932
Accounts Payable	18,773
Current Portion Due	
Principal	285,000
Interest	37,170
Deferred Revenue	1,110
Total Liabilities	<u>604,985</u>
<b>Fund Balances</b>	
<b>Reserved for:</b>	
Capital Improvements	18,262
Retirement of Long-Term Debt	53,475
<b>Unreserved, Undesignated, reported in:</b>	
General Fund	749,184
Special Revenue Funds	293,688
Capital Projects	771,955
Total Fund Balances	<u>1,886,564</u>
Total Liabilities and Fund Balances	<u>\$ 2,491,549</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, 2008

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

Total Fund Balance - Governmental Funds	\$	1,886,564
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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	\$	18,719,805	
Accumulated depreciation is		<u>(7,777,883)</u>	10,941,922

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	(1,635,000)	
Bond Issue Costs	39,503	
Accumulated Amortization	(26,335)	
Compensated Absences	<u>(48,339)</u>	<u>(1,670,171)</u>

Total net assets - governmental activities	\$	<u><u>11,158,315</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, 2008

	Operational Fund 11000	Teacherage Fund 12000	Transportation Fund 13000
<b>Revenues</b>			
Property Taxes	\$ 11,222	\$ 0	\$ 0
Investment Income	31,238	0	0
Fees	945	0	0
State/Local Grants	8,170,713	0	462,016
Federal Grants	0	0	0
Miscellaneous	12,471	25,950	0
Total Revenues	<u>8,226,589</u>	<u>25,950</u>	<u>462,016</u>
<b>Expenditures</b>			
Current			
Instruction	4,160,176	0	0
Support Services-Students	1,209,256	0	0
Support Services-Instruction	241,736	0	0
Support Services-General Administration	503,173	0	0
Support Services-School Administration	516,142	0	0
Central Services	231,001	0	0
Operation & Maintenance of Plant	1,152,027	8,922	0
Student Transportation	1,900	0	389,021
Food Service Operations	5,436	0	0
Capital Outlay	210,862	0	72,995
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>8,231,709</u>	<u>8,922</u>	<u>462,016</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,120)	17,028	0
Fund Balances at Beginning of Year	<u>688,007</u>	<u>35,558</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 682,887</u>	<u>\$ 52,586</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**  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
For the Year Ended June 30, 2008

	Instructional Materials Fund 14000	Title I 24101	Bond Building 31100
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Investment Income	0	0	21,989
Fees	0	0	0
State/Local Grants	76,893	0	0
Federal Grants	0	181,988	0
Miscellaneous	0	0	0
Total Revenues	76,893	181,988	21,989
<b>Expenditures</b>			
Current			
Instruction	68,104	140,950	0
Support Services-Students	0	0	0
Support Services-Instruction	3,243	38,113	0
Support Services-General Administration	0	2,925	0
Support Services-School Administration	0	0	0
Central Services	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
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	71,347	181,988	0
Excess (Deficiency) of Revenues Over Expenditures	5,546	0	21,989
Fund Balances at Beginning of Year	8,165	0	494,841
Fund Balance End of Year	\$ 13,711	\$ 0	\$ 516,830

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, 2008

	Senate Bill Nine 31700	Debt Service 41000	Other Governmental Funds
<b>Revenues</b>			
Property Taxes	\$ 177,852	\$ 353,018	\$ 1,596
Investment Income	0	1,157	0
Fees	0	0	59,924
State/Local Grants	0	0	190,158
Federal Grants	0	0	603,244
Miscellaneous	0	0	0
Total Revenues	<u>177,852</u>	<u>354,175</u>	<u>854,922</u>
<b>Expenditures</b>			
Current			
Instruction	0	0	301,585
Support Services-Students	0	0	155,206
Support Services-Instruction	0	0	561
Support Services-General Administration	1,773	3,523	4,099
Support Services-School Administration	0	0	1,156
Central Services	0	0	0
Operation & Maintenance of Plant	115,024	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	437,833
Capital Outlay	96,304	0	0
Debt Service			
Principal	0	285,000	0
Interest	0	80,041	0
Total Expenditures	<u>213,101</u>	<u>368,564</u>	<u>900,440</u>
Excess (Deficiency) of Revenues Over Expenditures	(35,249)	(14,389)	(45,518)
Fund Balances at Beginning of Year	<u>290,374</u>	<u>55,113</u>	<u>370,219</u>
Fund Balance End of Year	<u>\$ 255,125</u>	<u>\$ 40,724</u>	<u>\$ 324,701</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, 2008

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	Total Governmental Funds
Revenues	
Property Taxes	\$ 543,688
Investment Income	54,384
Fees	60,869
State/Local Grants	8,899,780
Federal Grants	785,232
Miscellaneous	38,421
Total Revenues	<u>10,382,374</u>
Expenditures	
Current	
Instruction	4,670,815
Support Services-Students	1,364,462
Support Services-Instruction	283,653
Support Services-General Administration	515,493
Support Services-School Administration	517,298
Central Services	231,001
Operation & Maintenance of Plant	1,275,973
Student Transportation	390,921
Food Service Operations	443,269
Capital Outlay	380,161
Debt Service	
Principal	285,000
Interest	80,041
Total Expenditures	<u>10,438,087</u>
Excess (Deficiency) of Revenues Over Expenditures	(55,713)
Fund Balances at Beginning of Year	<u>1,942,277</u>
Fund Balance End of Year	<u><u>\$ 1,886,564</u></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, 2008

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Excess (Deficiency) of Revenues Over Expenditures-Governmental Funds \$ (55,713)

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	\$ (667,502)	
Capital Outlays	<u>380,161</u>	(287,341)

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)	270,000	
Difference in current amount due in the Debt Service Fund	<u>15,000</u>	285,000

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.

(4,421)

Changes in Net Assets of Governmental Activities \$ (65,767)

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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>Local Sources</b>				
Taxes	\$ 10,671	\$ 10,671	\$ 11,186	\$ 515
Investment Income	30,000	30,000	31,238	1,238
Fees	1,000	1,000	945	(55)
Total Local Sources	<u>41,671</u>	<u>41,671</u>	<u>43,369</u>	<u>1,698</u>
<b>State Sources</b>				
State Grant	8,107,790	8,107,790	8,170,713	62,923
Total State Sources	<u>8,107,790</u>	<u>8,107,790</u>	<u>8,170,713</u>	<u>62,923</u>
<b>Federal Sources</b>				
Federal Grant	16,871	16,871	12,471	(4,400)
Total Federal Sources	<u>16,871</u>	<u>16,871</u>	<u>12,471</u>	<u>(4,400)</u>
Total Revenues	<u>8,166,332</u>	<u>8,166,332</u>	<u>8,226,553</u>	<u>60,221</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	3,054,922	2,711,297	2,711,296	1
Employee Benefits	907,704	788,159	788,153	6
Professional & Tech Services	5,500	6,131	6,081	50
Purchased Property Services	1,000	944	944	0
Other Purchased Services	139,200	161,214	152,579	8,635
Supplies	155,000	360,359	353,284	7,075
Property	24,000	259,223	243,599	15,624
Total Instruction	<u>\$ 4,287,326</u>	<u>\$ 4,287,327</u>	<u>\$ 4,255,936</u>	<u>\$ 31,391</u>
<b>Support Services-Students</b>				
Personnel Services	1,146,091	897,845	811,589	86,256
Employee Benefits	319,090	233,629	230,235	3,394
Professional & Tech Services	34,000	131,760	131,665	95
Purchased Property Services	500	0	0	0
Other Purchased Services	3,000	13,461	13,126	335
Supplies	5,500	9,715	9,443	272
Property	9,000	13,847	13,198	649
Total Support Services-Students	<u>\$ 1,517,181</u>	<u>\$ 1,300,257</u>	<u>\$ 1,209,256</u>	<u>\$ 91,001</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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Support Services-Instruction</b>				
Personnel Services	130,950	150,281	150,280	1
Employee Benefits	37,854	42,645	42,633	12
Purchased Property Services	2,500	0	0	0
Other Purchased Services	6,000	8,624	7,911	713
Supplies	16,500	40,302	38,959	1,343
Property	0	1,952	1,952	0
Total Support Services-Instruction	\$ 193,804	\$ 243,804	\$ 241,735	\$ 2,069
<b>Support Services-General Administration</b>				
Personnel Services	236,543	242,543	241,512	1,031
Employee Benefits	70,372	80,347	79,339	1,008
Professional & Tech Services	66,200	62,438	45,888	16,550
Purchased Property Services	5,500	2,765	2,607	158
Other Purchased Services	73,000	110,394	106,407	3,987
Supplies	12,800	25,941	25,941	0
Property	4,500	11,352	10,914	438
Total Support Services-General Administration	\$ 468,915	\$ 535,780	\$ 512,608	\$ 23,172
<b>Support Services-School Administration</b>				
Personnel Services	342,012	345,922	343,867	2,055
Employee Benefits	111,032	108,458	108,071	387
Professional & Tech Services	375	1,250	1,250	0
Purchased Property Services	2,000	274	273	1
Other Purchased Services	15,000	17,656	16,923	733
Supplies	29,240	30,972	30,881	91
Property	12,000	14,684	14,683	1
Total Support Services-School Administration	\$ 511,659	\$ 519,216	\$ 515,948	\$ 3,268
<b>Central Services</b>				
Personnel Services	\$ 132,730	\$ 136,730	\$ 136,724	\$ 6
Employee Benefits	43,560	42,528	42,373	155
Professional & Tech Services	200	150	150	0
Other Purchased Services	22,000	14,979	14,978	1
Supplies	5,000	10,068	9,178	890
Property	2,000	11,035	11,034	1
Total Central Services	205,490	215,490	214,437	1,053



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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Operation & Maintenance of Plant				
Personnel Services	392,416	387,351	386,381	970
Employee Benefits	153,586	131,728	131,672	56
Professional & Tech Services	2,500	0	0	0
Purchased Property Services	394,200	446,455	439,319	7,136
Other Purchased Services	176,280	165,941	164,427	1,514
Supplies	35,929	51,388	48,885	2,503
Property	16,000	9,000	8,998	2
Total Operation & Maintenance of Plant	<u>\$ 1,170,911</u>	<u>\$ 1,191,863</u>	<u>\$ 1,179,682</u>	<u>\$ 12,181</u>
Student Transportation				
Purchased Property Services	<u>\$ 2,000</u>	<u>\$ 2,048</u>	<u>\$ 2,048</u>	<u>\$ 0</u>
Total Student Transportation	<u>2,000</u>	<u>2,048</u>	<u>2,048</u>	<u>0</u>
Food Service Operations				
Supplies	10,000	4,381	4,121	260
Property	10,000	13,000	8,618	4,382
Total Food Service Operations	<u>20,000</u>	<u>17,381</u>	<u>12,739</u>	<u>4,642</u>
Capital Outlay				
Purchased Property Services	50,580	134,082	133,588	494
Property	60,000	45,000	1,800	43,200
Total Capital Outlay	<u>110,580</u>	<u>179,082</u>	<u>135,388</u>	<u>43,694</u>
Total Expenditures	<u>8,487,866</u>	<u>8,492,248</u>	<u>8,279,777</u>	<u>212,471</u>
Excess (Deficiency) of Revenues Over Expenditures	(321,534)	(325,916)	(53,224)	272,692
Cash Balance Beginning of Year	<u>754,067</u>	<u>754,067</u>	<u>754,067</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 432,533</u>	<u>\$ 428,151</u>	<u>\$ 700,843</u>	<u>\$ 272,692</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (53,224)	
Net change in Taxes Receivable			37	
Net change in Accounts Payable			48,067	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (5,120)</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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>State Sources</b>				
Grants	\$ 17,650	\$ 17,650	\$ 25,950	\$ 8,300
Total State Sources	<u>17,650</u>	<u>17,650</u>	<u>25,950</u>	<u>8,300</u>
Total Revenues	<u>17,650</u>	<u>17,650</u>	<u>25,950</u>	<u>8,300</u>
<b>Expenditures</b>				
<b>Operation &amp; Maintenance of Plant</b>				
Purchased Property Services	41,000	41,000	7,962	33,038
Supplies	5,409	5,409	960	4,449
Property	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Total Operation & Maintenance of Plant	<u>51,409</u>	<u>51,409</u>	<u>8,922</u>	<u>42,487</u>
Total Expenditures	<u>51,409</u>	<u>51,409</u>	<u>8,922</u>	<u>42,487</u>
Excess (Deficiency) of Revenues Over Expenditures	(33,759)	(33,759)	17,028	50,787
Cash Balance Beginning of Year	<u>35,558</u>	<u>35,558</u>	<u>35,558</u>	<u>0</u>
Cash Balance End of Year	\$ <u>1,799</u>	\$ <u>1,799</u>	\$ <u>52,586</u>	\$ <u>50,787</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>17,028</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>17,028</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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>State Sources</b>				
Grants	\$ 777,747	\$ 805,197	\$ 516,073	\$ (289,124)
Total State Sources	<u>777,747</u>	<u>805,197</u>	<u>516,073</u>	<u>(289,124)</u>
Total Revenues	<u>777,747</u>	<u>805,197</u>	<u>516,073</u>	<u>(289,124)</u>
<b>Expenditures</b>				
<b>Student Transportation</b>				
Personnel Services	215,122	224,960	224,960	0
Employee Benefits	76,521	77,946	77,946	0
Purchased Property Services	16,600	14,713	14,713	0
Other Purchased Services	16,500	19,577	19,577	0
Supplies	36,780	51,777	51,777	0
Property	362,523	362,523	73,399	289,124
Total Student Transportation	<u>724,046</u>	<u>751,496</u>	<u>462,372</u>	<u>289,124</u>
Total Expenditures	<u>724,046</u>	<u>751,496</u>	<u>462,372</u>	<u>289,124</u>
Excess (Deficiency) of Revenues Over Expenditures	53,701	53,701	53,701	0
Cash Balance Beginning of Year	<u>(53,701)</u>	<u>(53,701)</u>	<u>(53,701)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 53,701	
Net change in Due from Grantor			(54,056)	
Net change in Accounts Payable			355	
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**  
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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>State Sources</b>				
Grants	\$ 69,342	\$ 75,953	\$ 76,893	\$ 940
Total State Sources	<u>69,342</u>	<u>75,953</u>	<u>76,893</u>	<u>940</u>
Total Revenues	<u>69,342</u>	<u>75,953</u>	<u>76,893</u>	<u>940</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Supplies	63,728	69,632	68,104	1,528
Total Instruction	<u>63,728</u>	<u>69,632</u>	<u>68,104</u>	<u>1,528</u>
<b>Support Services-Instruction</b>				
Supplies	5,614	6,321	3,243	3,078
Total Support-Services Instruction	<u>5,614</u>	<u>6,321</u>	<u>3,243</u>	<u>3,078</u>
Total Expenditures	<u>69,342</u>	<u>75,953</u>	<u>71,347</u>	<u>4,606</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	5,546	5,546
Cash Balance Beginning of Year	<u>8,165</u>	<u>8,165</u>	<u>8,165</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 8,165</u>	<u>\$ 8,165</u>	<u>\$ 13,711</u>	<u>\$ 5,546</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 5,546	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 5,546</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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Grants	\$ 221,097	\$ 308,771	\$ 171,709	\$ (137,062)
Total Federal Sources	<u>221,097</u>	<u>308,771</u>	<u>171,709</u>	<u>(137,062)</u>
Total Revenues	<u>221,097</u>	<u>308,771</u>	<u>171,709</u>	<u>(137,062)</u>
Expenditures				
Instruction				
Personnel Services	84,000	102,850	76,136	26,714
Employee Benefits	14,601	22,166	22,140	26
Other Purchased Services	18,806	7,969	7,968	1
Supplies	2,194	34,708	34,707	1
Total Instruction	<u>119,601</u>	<u>167,693</u>	<u>140,951</u>	<u>26,742</u>
Support Services-Instruction				
Personnel Services	42,750	26,750	26,750	0
Employee Benefits	11,779	8,641	7,662	979
Other Purchased Services	1,000	4,200	3,700	500
Total Support Services-Instruction	<u>9</u>	<u>39,591</u>	<u>38,112</u>	<u>1,479</u>
Support Services-General Admin.				
Professional & Tech Services	2,925	2,925	2,925	0
Total Support Services-General Admin.	<u>2,925</u>	<u>2,925</u>	<u>2,925</u>	<u>0</u>
Total Expenditures	<u>\$ 122,535</u>	<u>\$ 210,209</u>	<u>\$ 181,988</u>	<u>\$ 28,221</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 98,562	\$ 98,562	\$ (10,279)	\$ (108,841)
Cash Balance Beginning of Year	<u>(98,562)</u>	<u>(98,562)</u>	<u>(98,562)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (108,841)</u>	<u>\$ (108,841)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (10,279)	
Net change in Due from Grantor			10,279	
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, 2008

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	<u>Agency Funds</u>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 123,976
<b>Total Assets</b>	<u>\$ 123,976</u>
 <b>Liabilities</b>	
Deposits Held for Others	\$ 123,976
<b>Total Liabilities</b>	<u>\$ 123,976</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 District's accounting policies are described

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis for State and Local Governments*. Some of the significant changes in the Statement include the following:

- A Management's Discussion and Analysis (MD & A) providing an analysis of the District's overall financial position and results of operations.
- Financial Statements prepared using full-accrual accounting for all the District's activities.
- A change in fund financial statements to focus on major funds.

These and other changes are reflected in the accompanying financial statements (including the notes to the financial statements) as of June 30, 2008.

In addition, in June 2001, the GASB issued Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus - an amendment of GASB Statement No. 21 and No. 34 and Statement No. 38, Certain Financial Note Disclosures*. These two statements clarify, modify, establish and rescind certain disclosure requirements under GASB No. 34. Both statements are being implemented in conjunction with GASB Statement No. 34. These statements do not have an impact on the results of operations or the financial position of the District.

**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.

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

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

***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 activity organizations.

**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**

**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.

**CAPITAL PROJECT FUNDS**

**Bond Building (31100)**

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

**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 3) program specific capital

***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 been eliminated from the district-wide financial statements.

#### 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.

#### Expenditures

*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 accrued.

#### 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.
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 amendments thereto.

#### 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 :

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(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.

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.

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 periods.

#### 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:

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.

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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>	<u>Balance Per Bank 06-30-08</u>	<u>Reconciled Balance</u>	<u>Type</u>
Operational	\$ 2,286,571	\$ 1,513,041	Checking
TOTAL Deposited	<u>2,286,571</u>	<u>\$ 1,513,041</u>	
Less: FDIC Coverage	<u>(100,000)</u>		
Uninsured Amount	2,186,571		
50% collateral requirement	1,093,286		
Pledged securities	<u>2,003,750</u>		
Over (Under) requirement	<u>\$ 910,465</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 Deposit Bond	3133XNS67	\$ 1,003,750	01/07/13	FHLB Dallas, TX
		<u>1,000,000</u>		
		<u>\$ 2,003,750</u>		

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

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**Custodial Credit Risk-Deposits**

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 100,000
Collateralized:	
Collateral held by the pledging bank in District's name	2,003,750
Over insured or over collateralized	182,821
Total Deposits	<u>\$ 2,286,571</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, 2008 \$182,821 of balance of \$2,286,571 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 Schools	\$ 560,472	\$ 560,472	Investment
TOTAL Deposited	<u>560,472</u>	<u>560,472</u>	

The investments with the State Treasurer are valued at fair value based on quoted market prices as of valuation date.

The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-10 1, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments;

The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested; and

Participation in the local government investment pool is voluntary.

**Interest Rate Risk**

Interest rate risk is the risk that interest rate variations may adversely affect an investment's fair value. The prices of securities fluctuate with market interest rates and the securities held in a portfolio will decline if market interest rates rise. The portfolio's weighted average maturity (WAM) is a key determinant of the tolerance of a fund's investments to rising interest rates. The WAM for this investment is 24 days. The investment is rated AAAM and the rate is 4.7135%.



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**NOTE C: INTERFUND BALANCES, RECIEVABLES, AND TRANSFERS**

Interfund transfers during the year ending June 30, 2008 were as follows:

Due to General Fund from:

Title I	\$	108,841
Other Governmental Funds		<u>154,091</u>
Totals	\$	<u><u>262,932</u></u>

Transfers were made to cover shortfalls and will be paid back within the year.

**NOTE D: TAXES RECEIVABLE**

Following is a schedule of property taxes receivable as of June 30, 2008:

	General Fund	Senate Bill Nine	Debt Service	Other Governmental	Total
Property Tax Available	\$ 269	\$ 4,326	\$ 9,416	\$ 140	14,151
Unavailable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Property Taxes Receivable	\$ <u><u>269</u></u>	\$ <u><u>4,326</u></u>	\$ <u><u>9,416</u></u>	<u><u>140</u></u>	<u><u>14,151</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, 2008:

	Transportation	Title I	Other Governmental	Total
Federal Agencies	\$ 110	\$ 108,841	\$ 105,163	\$ 214,114
State Agencies	<u>0</u>	<u>0</u>	<u>49,514</u>	<u>49,514</u>
Total	\$ <u><u>110</u></u>	\$ <u><u>108,841</u></u>	\$ <u><u>154,677</u></u>	<u><u>263,628</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, 2008:

	General Fund 11000	Senate Bill Nine 31700	Debt Service 41000	Other Governmental	Total
Federal Revenues	\$ 0	\$ 0	\$ 0	\$ 1,110	1,110
Total Deferred Revenues	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	<u><u>1,110</u></u>	<u><u>1,110</u></u>

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**NOTE G: CAPITAL ASSETS**

Capital Assets Balances and Activity for the Year Ended June 30, 2008, is as follows:

	<u>Balance 6/30/07</u>	<u>Increases</u>	<u>Restatements</u>	<u>Balance 6/30/08</u>
<b>Governmental Activities</b>				
Capital Assets not being Depreciated				
Land	\$ 747,992	\$ 0	\$ (519,735)	\$ 228,257
Total Capital Assets not being Depreciated	<u>747,992</u>	<u>0</u>	<u>(519,735)</u>	<u>228,257</u>
Capital Assets, being Depreciated				
Buildings & Improvements	14,612,456	216,460	(206,671)	14,622,245
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>3,794,419</u>	<u>163,702</u>	<u>(88,818)</u>	<u>3,869,303</u>
Total Capital Assets, being Depreciated	<u>18,406,875</u>	<u>380,162</u>	<u>(295,489)</u>	<u>18,491,548</u>
Total Capital Assets	<u>19,154,867</u>	<u>380,162</u>	<u>(815,224)</u>	<u>18,719,805</u>
<b>Less Accumulated Depreciation</b>				
Buildings & Improvements	4,576,606	275,188	114,771	4,966,565
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>2,542,801</u>	<u>392,314</u>	<u>(123,797)</u>	<u>2,811,318</u>
Total Accumulated Depreciation	<u>7,119,407</u>	<u>667,502</u>	<u>(123,797)</u>	<u>7,777,883</u>
Capital Assets, net	<u>\$ 12,035,460</u>	<u>\$ (287,340)</u>	<u>\$ (691,427)</u>	<u>\$ 10,941,922</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 463,524
Support Services-Instruction	38,690
Support Services-General Administration	25,150
Central Services	3,146
Operation & Maintenance of Plant	62,433
Student Transportation	23,859
Food Services Operations	8,093
Unclassified	42,607
Total depreciation expenses	<u>\$ 667,502</u>

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**NOTE H: LONG TERM DEBT**

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

	Balance 6/30/07	Additions	Reductions	Balance 6/30/08	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 2,190,000	\$ 0	\$ 270,000	\$ 1,920,000	\$ 285,000
Total Bonds	<u>2,190,000</u>	<u>0</u>	<u>270,000</u>	<u>1,920,000</u>	<u>285,000</u>
Other Liabilities					
Compensated					
Absences	47,150	54,561	53,372	48,339	0
Total Other Liabilities	<u>47,150</u>	<u>54,561</u>	<u>53,372</u>	<u>48,339</u>	<u>0</u>
Long-Term Liabilities	<u>\$ 2,237,150</u>	<u>\$ 54,561</u>	<u>\$ 323,372</u>	<u>\$ 1,968,339</u>	<u>\$ 285,000</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.

Series	Date of Issue	Original Amount	Interest Rate	Balance
2001	07-15-01	2,700,000	4%-5%	1,920,000
				<u>\$ 1,920,000</u>

The annual requirements to amortize the 2001 Series general obligation bonds as of June 30, 2008, including interest payments are as follows:

	Principal	Interest	Total
2009	\$ 285,000	\$ 80,040	\$ 365,040
2010	295,000	68,292	363,292
2011	310,000	55,735	365,735
2012	325,000	42,238	367,238
2013	345,000	26,625	371,625
2014	360,000	9,000	369,000
Total	<u>\$ 1,920,000</u>	<u>\$ 281,930</u>	<u>\$ 2,201,930</u>

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
Notes to the Financial Statements  
June 30, 2008

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

Note H	\$ 1,920,000
Net Issue Costs/Premium/Discounts on Bond Issues	(39,503)
Accumulated Amortization	26,335
Statement of Net Assets	<u>\$ 1,906,832</u>
 Government Wide Statements	
Amount Reported as Current Amount Due	\$ 285,000
Amount Reported as Long-Term Due	1,621,832
Statement of Net Assets	<u>\$ 1,906,832</u>

**NOTE I: COMMITMENTS**

The District has no construction commitments at June 30, 2008.

**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](http://www.nmerb.org).

Plan members are required to contribute 7.42% of their gross salary. The District is required to contribute 10.9% of the gross covered salary. Effective July 1, 2008, plan members are required to contribute 7.9% of their gross 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, 2008, 2007, and 2006, were \$967,085, \$949,328 and \$874,103, 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.

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](http://www.nmrhca.state.nm.us).

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. 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, 2008, 2007 and 2006 were \$102,462, \$105,553 and \$100,511, 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 \$113,129, 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

**NOTE P: RESTATEMENTS**

The following restatements were required to the statement of net assets:

The Capital Assets were adjusted to agree with the depreciation schedule. See Note G for the detailed adjustments. The total adjustment is \$806,196.

**SUPPLEMENTAL INFORMATION RELATED TO  
MAJOR FUNDS**

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 CAPITAL PROJECT FUND-BOND BUILDING-31100  
 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		
<b>Revenues</b>				
<b>Local Sources</b>				
Investment Income	\$ 0	\$ 0	\$ 21,990	\$ 21,990
Total Local Sources	<u>0</u>	<u>0</u>	<u>21,990</u>	<u>21,990</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>21,990</u>	<u>21,990</u>
<b>Expenditures</b>				
<b>Capital Outlay</b>				
Building Improvements	0	494,591	0	494,591
Property	0	0	0	0
Total Capital Outlay	<u>0</u>	<u>494,591</u>	<u>0</u>	<u>494,591</u>
Total Expenditures	<u>0</u>	<u>494,591</u>	<u>0</u>	<u>494,591</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(494,591)	21,990	516,581
Cash Balance Beginning of Year	<u>494,840</u>	<u>494,840</u>	<u>494,840</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 494,840</u>	<u>\$ 249</u>	<u>\$ 516,830</u>	<u>\$ 516,581</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>21,990</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>21,990</u>	

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



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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>Local Sources</b>				
Taxes	\$ 169,326	\$ 169,326	\$ 177,303	\$ 7,977
Total Local Sources	<u>169,326</u>	<u>169,326</u>	<u>177,303</u>	<u>7,977</u>
Total Revenues	<u>169,326</u>	<u>169,326</u>	<u>177,303</u>	<u>7,977</u>
<b>Expenditures</b>				
<b>Support Services-General Admin.</b>				
Professional & Tech Services	<u>1,627</u>	<u>1,773</u>	<u>1,773</u>	<u>0</u>
Total Support Services-General Admin.	<u>1,627</u>	<u>1,773</u>	<u>1,773</u>	<u>0</u>
<b>Capital Outlay</b>				
Purchased Property Services	154,296	5,600	5,600	0
Land Improvements	0	82,871	82,871	0
Supply Assets	0	109,424	109,424	0
Property	0	13,433	13,433	0
Total Capital Outlay	<u>154,296</u>	<u>211,328</u>	<u>211,328</u>	<u>0</u>
Total Expenditures	<u>155,923</u>	<u>213,101</u>	<u>213,101</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	13,403	(43,775)	(35,798)	7,977
Cash Balance Beginning of Year	<u>286,597</u>	<u>286,597</u>	<u>286,597</u>	<u>0</u>
Cash Balance End of Year	\$ <u><u>300,000</u></u>	\$ <u><u>242,822</u></u>	\$ <u><u>250,799</u></u>	\$ <u><u>7,977</u></u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (35,798)	
Net change in Taxes Receivable			549	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u><u>(35,249)</u></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				
Local Sources				
Taxes	361,140	\$ 361,140	\$ 352,330	(8,810)
Investment Income	1,345	1,345	1,157	(188)
Total Local Sources	<u>362,485</u>	<u>362,485</u>	<u>353,487</u>	<u>(8,998)</u>
Total Revenues	<u>362,485</u>	<u>362,485</u>	<u>353,487</u>	<u>(8,998)</u>
Expenditures				
Support Services-General Admin.				
Professional & Tech Services	<u>3,621</u>	<u>3,621</u>	<u>3,523</u>	<u>98</u>
Total Support Services General Admin.	<u>3,621</u>	<u>3,621</u>	<u>3,523</u>	<u>98</u>
Debt Service				
Principal	270,000	270,000	270,000	0
Interest	<u>91,140</u>	<u>91,140</u>	<u>91,140</u>	<u>0</u>
Total Debt Service	<u>361,140</u>	<u>361,140</u>	<u>361,140</u>	<u>0</u>
Total Expenditures	<u>364,761</u>	<u>364,761</u>	<u>364,663</u>	<u>98</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,276)	(2,276)	(11,176)	(8,900)
Cash Balance Beginning of Year	<u>364,654</u>	<u>364,654</u>	<u>364,654</u>	<u>0</u>
Cash Balance End of Year	<u>362,378</u>	<u>\$ 362,378</u>	<u>\$ 353,478</u>	<u>(8,900)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (11,176)	
Net change in Taxes Receivable			688	
Net change in Principal			(15,000)	
Net change in Interest			11,099	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (14,389)</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO  
NON MAJOR FUNDS**

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR GOVERNMENT FUNDS  
Combining Balance Sheet - By Fund Type  
June 30, 2008

	Special Revenue	Capital Projects	Ed. Tech. Debt Service	Total
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 293,825	\$ 17,786	\$ 12,611	\$ 324,222
Receivables				
Taxes	0	0	140	140
Due From Grantor	154,201	476	0	154,677
Inventory	1,301	0	0	1,301
Total Assets	<u>\$ 449,327</u>	<u>\$ 18,262</u>	<u>\$ 12,751</u>	<u>\$ 480,340</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities				
Interfund Balance	\$ 154,091	\$ 0	\$ 0	\$ 154,091
Accounts Payable	438	0	0	438
Deferred Revenue	1,110	0	0	1,110
Total Liabilities	<u>155,639</u>	<u>0</u>	<u>0</u>	<u>155,639</u>
Fund Balance				
Reserved for				
Capital Improvements	0	18,262	0	18,262
Debt Service	0	0	12,751	12,751
Unreserved, Undesignated	293,688	0	0	293,688
Total Fund Balance	<u>293,688</u>	<u>18,262</u>	<u>12,751</u>	<u>324,701</u>
 Total Liabilities and Fund Balance	 <u>\$ 449,327</u>	 <u>\$ 18,262</u>	 <u>\$ 12,751</u>	 <u>\$ 480,340</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures and Changes in  
Fund Balance - By Fund Type  
For the Year Ended June 30, 2008

	Special Revenue	Capital Projects	Ed Tech Debt Service	Total
<b>Revenues</b>				
Taxes	0	0	1,596	1,596
Fees	\$ 59,924	\$ 0	\$ 0	\$ 59,924
State/Local Grants	190,135	23	0	190,158
Federal Grants	603,244	0	0	603,244
Total Revenues	<u>853,303</u>	<u>23</u>	<u>1,596</u>	<u>854,922</u>
<b>Expenditures</b>				
<b>Current</b>				
Instruction	301,585	0	0	301,585
Support Services-Students	155,206	0	0	155,206
Support Services-Instruction	561	0	0	561
Support Services-General Admin.	4,082	0	17	4,099
Support Services-School Admin.	1,156	0	0	1,156
Food Services	437,833	0	0	437,833
Total Expenditures	<u>900,423</u>	<u>0</u>	<u>17</u>	<u>900,440</u>
Excess (Deficiency) of Revenues Over Expenditures	(47,120)	23	1,579	(45,518)
Fund Balances at Beginning of Year	340,808	18,239	11,172	370,219
Restatement	0	0	0	0
Restated Beginning Fund Balance	<u>340,808</u>	<u>18,239</u>	<u>11,172</u>	<u>370,219</u>
Fund Balance End of Year	<u>\$ 293,688</u>	<u>\$ 18,262</u>	<u>\$ 12,751</u>	<u>\$ 324,701</u>

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

### 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).

**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.

**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).

**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.

**Immigrant Funding Title III (24163).** To account for the revenues and expenditures provided for daily tutoring in intensive English instruction in the area of reading. Funds are received through the New Mexico Department of Education. The fund was created by the authority of federal grant provisions. (PL 103-382).

**NONMAJOR SPECIAL REVENUE FUNDS**

**Carl D Perkins Tech Prep (24168).** To account for funds distributed by the U. S. Department of Education through the State Department of Education to provide services which impact school district vocational programs, educators, and students. This fund was created by the authority of the Carl D. Perkins Vocational, and Applied Technology Education Amendments of 1998, Title I, Part B and C and Sections 115 and 116, and Workforce Investment Act, Section 503.

**Carl 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.

**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 Foundation (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.

**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.

**NONMAJOR SPECIAL REVENUE FUNDS**

**Center for Education & Study (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 Program (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.

**Pre K Start Up (27161).** To account for revenues and expenditures from a state grant provided for the purchases of all items for the start up cost associated with implementing a Pre K program.. 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 revenues and expenditures from a state grant. The focus is the detection and prevention of bullying in the public schools. 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.

**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 SPECIAL REVENUE FUNDS**

**McCune (29114).** To account for a grant received from the McCune Charitable Foundation to teach communication, self-esteem and problem solving skills. The fund was created by provisions in a contract.

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	Food Service 21000	Athletics 22000	IDEA, Part B Entitlement 24106
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 280	\$ 210,329	\$ 0
Receivables			
Due From Grantor	0	0	38,333
Inventory	1,301	0	0
Total Assets	<u>\$ 1,581</u>	<u>\$ 210,329</u>	<u>\$ 38,333</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 38,223
Accounts Payable	0	0	0
Deferred Revenue	0	0	110
Total Liabilities	<u>0</u>	<u>0</u>	<u>38,333</u>
Fund Balance			
Unreserved, Undesignated	<u>1,581</u>	<u>210,329</u>	<u>0</u>
Total Fund Balance	<u>1,581</u>	<u>210,329</u>	<u>0</u>
 Total Liabilities and Fund Balance	 <u>\$ 1,581</u>	 <u>\$ 210,329</u>	 <u>\$ 38,333</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	Discretionary 24107	Title V-A 24150	English Language Acq 24153
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	5,859	8,725	25,631
Inventory	0	0	0
Total Assets	<u>\$ 5,859</u>	<u>\$ 8,725</u>	<u>\$ 25,631</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 5,859	\$ 8,725	\$ 25,631
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>5,859</u>	<u>8,725</u>	<u>25,631</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
 Total Liabilities and Fund Balance	 <u>\$ 5,859</u>	 <u>\$ 8,725</u>	 <u>\$ 25,631</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

	Teacher/ Principal Training & Recruiting 24154	Safe & Drug Free Schools 24157	Immigrant Funding Title III 24163
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	16,464	4,249	0
Inventory	0	0	0
Total Assets	<u>\$ 16,464</u>	<u>\$ 4,249</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 16,464	\$ 4,249	\$ 0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>16,464</u>	<u>4,249</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 16,464</u>	<u>\$ 4,249</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 SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	Carl D Perkins Tech Prep 24168	Carl D Perkins HSTW 24180	Impact Aid Special Education 25145
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 28,532
Receivables			
Due From Grantor	0	5,302	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 5,302</u>	<u>\$ 28,532</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 5,302	\$ 0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>5,302</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>0</u>	<u>28,532</u>
Total Fund Balance	<u>0</u>	<u>0</u>	<u>28,532</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 5,302</u>	<u>\$ 28,532</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	Medicaid 25153	Luna Health Education 25172	GEAR UP USDE 25211
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,085	\$ 1,000	\$ 0
Receivables			
Due From Grantor	0	0	600
Inventory	0	0	0
Total Assets	<u>\$ 2,085</u>	<u>\$ 1,000</u>	<u>\$ 600</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 600
Accounts Payable	0	0	0
Deferred Revenue	0	1,000	0
Total Liabilities	<u>0</u>	<u>1,000</u>	<u>600</u>
Fund Balance			
Unreserved, Undesignated	<u>2,085</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>2,085</u>	<u>0</u>	<u>0</u>
 Total Liabilities and Fund Balance	 <u>\$ 2,085</u>	 <u>\$ 1,000</u>	 <u>\$ 600</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	Newspaper Association of America 26105	LANL Foundation 26113	Center for ED & Study of Diverse 26146
	<u>26105</u>	<u>26113</u>	<u>26146</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 456	\$ 21,315	\$ 384
Receivables			
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 456</u>	<u>\$ 21,315</u>	<u>\$ 384</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	0	438	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>438</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>456</u>	<u>20,877</u>	<u>384</u>
Total Fund Balance	<u>456</u>	<u>20,877</u>	<u>384</u>
Total Liabilities and Fund Balance	<u>\$ 456</u>	<u>\$ 21,315</u>	<u>\$ 384</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	Technology For Education 27117	Incentives For School Improvement 27138	Pre K Initiative 27149
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 12,173	\$ 2,084	\$ 0
Receivables			
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 12,173</u>	<u>\$ 2,084</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>12,173</u>	<u>2,084</u>	<u>0</u>
Total Fund Balance	<u>12,173</u>	<u>2,084</u>	<u>0</u>
 Total Liabilities and Fund Balance	 <u>\$ 12,173</u>	 <u>\$ 2,084</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 SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	Beginning Teacher Mentoring <u>27154</u>	Breakfast for Elementary Students <u>27155</u>	Pre K Startup Cost <u>27161</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,417	\$ 2,197	\$ 0
Receivables			
Due From Grantor	0	0	-0
Inventory	0	0	0
Total Assets	<u>\$ 1,417</u>	<u>\$ 2,197</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>-0</u>
Fund Balance			
Unreserved, Undesignated	<u>1,417</u>	<u>2,197</u>	<u>0</u>
Total Fund Balance	<u>1,417</u>	<u>2,197</u>	<u>0</u>
<b>Total Liabilities and Fund Balance</b>	<u><u>\$ 1,417</u></u>	<u><u>\$ 2,197</u></u>	<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**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	School in Need of Improvement 27163	Laws of New Mexico 27165	GO Bonds 27170
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	18,867	11,653	7,968
Inventory	0	0	0
Total Assets	<u>\$ 18,867</u>	<u>\$ 11,653</u>	<u>\$ 7,968</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 18,867	\$ 11,653	\$ 7,968
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>18,867</u>	<u>11,653</u>	<u>7,968</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
 Total Liabilities and Fund Balance	 <u>\$ 18,867</u>	 <u>\$ 11,653</u>	 <u>\$ 7,968</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	Gear Up CHE <u>28178</u>	Yes I Can 29102 <u>          </u>	McCune 29114 <u>          </u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 8,500	\$ 3,073
Receivables			
Due From Grantor	10,550	0	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 10,550</u>	<u>\$ 8,500</u>	<u>\$ 3,073</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 10,550	\$ 0	\$ 0
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>10,550</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>8,500</u>	<u>3,073</u>
Total Fund Balance	<u>0</u>	<u>8,500</u>	<u>3,073</u>
Total Liabilities and Fund Balance	<u>\$ 10,550</u>	<u>\$ 8,500</u>	<u>\$ 3,073</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Balance Sheet  
June 30, 2008

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	<u>Total</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 293,825
Receivables	
Due From Grantor	154,201
Inventory	1,301
Total Assets	<u>\$ 449,327</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Interfund Balance	\$ 154,091
Accounts Payable	438
Deferred Revenue	1,110
Total Liabilities	<u>155,639</u>
Fund Balance	
Unreserved, Undesignated	<u>293,688</u>
Total Fund Balance	<u>293,688</u>
Total Liabilities and Fund Balance	<u>\$ 449,327</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	Food Service 21000	Athletics 22000	IDEA, Part B Entitlement 24106
<b>Revenues</b>			
Fees	\$ 27,620	\$ 32,304	\$ 0
State/Local Grants	3,095	0	0
Federal Grants	320,690	0	113,129
Total Revenues	<u>351,405</u>	<u>32,304</u>	<u>113,129</u>
<b>Expenditures</b>			
Current			
Instruction	0	18,035	53,270
Support Services-Students	0	0	59,859
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Food Service	416,891	0	0
Total Expenditures	<u>416,891</u>	<u>18,035</u>	<u>113,129</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(65,486)</u>	<u>14,269</u>	<u>0</u>
Fund Balances at Beginning of Year	67,067	196,060	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>67,067</u>	<u>196,060</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 1,581</u>	<u>\$ 210,329</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 SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	Discretionary 24107	Title V-A 24150	English Language Acq 24153
<b>Revenues</b>			
Fees	\$ 0	\$ 0	\$ 0
State/Local Grants	0	0	0
Federal Grants	5,859	8,725	36,401
Total Revenues	<u>5,859</u>	<u>8,725</u>	<u>36,401</u>
<b>Expenditures</b>			
Current			
Instruction	0	8,636	33,273
Support Services-Students	5,859	0	1,975
Support Services-Instruction	0	0	561
Support Services-General Administration	0	89	592
Support Services-School Administration	0	0	0
Food Service	0	0	0
Total Expenditures	<u>5,859</u>	<u>8,725</u>	<u>36,401</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<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 SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	Teacher/ Principal Training & Recruiting 24154	Safe & Drug Free Schools 24157	Immigrant Funding Title III 24163
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State/Local Grants	0	0	0
Federal Grants	46,949	4,249	0
Total Revenues	<u>46,949</u>	<u>4,249</u>	<u>0</u>
Expenditures			
Current			
Instruction	46,178	4,185	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	771	64	0
Support Services-School Administration	0	0	0
Food Service	0	0	0
Total Expenditures	<u>46,949</u>	<u>4,249</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<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 SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	Carl D Perkins Tech Prep 24168	Carl D Perkins HSTW 24180	Impact Aid Special Education 25145
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State/Local Grants	0	0	0
Federal Grants	0	16,637	104
Total Revenues	<u>0</u>	<u>16,637</u>	<u>104</u>
Expenditures			
Current			
Instruction	0	12,915	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	2,566	0
Support Services-School Administration	0	1,156	0
Food Service	0	0	0
Total Expenditures	<u>0</u>	<u>16,637</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>104</u>
Fund Balances at Beginning of Year	0	0	28,428
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>28,428</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 28,532</u>

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



STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	Medicaid 25153	Luna Health Education 25172	GEAR UP USDE 25211
<b>Revenues</b>			
Fees	\$ 0	\$ 0	\$ 0
State/Local Grants	0	0	0
Federal Grants	46,901	0	3,600
Total Revenues	<u>46,901</u>	<u>0</u>	<u>3,600</u>
<b>Expenditures</b>			
Current			
Instruction	0	0	3,600
Support Services-Students	85,119	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Food Service	0	0	0
Total Expenditures	<u>85,119</u>	<u>0</u>	<u>3,600</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(38,218)</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	40,303	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>40,303</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 2,085</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 SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	Newspaper Association of America 26105	LANL Foundation 26113	Center for ED & Study of Diverse 26146
<b>Revenues</b>			
Fees	\$ 0	\$ 0	\$ 0
State/Local Grants	0	36,635	0
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>36,635</u>	<u>0</u>
<b>Expenditures</b>			
Current			
Instruction	0	18,711	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
Food Service	0	0	0
Total Expenditures	<u>0</u>	<u>18,711</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>17,924</u>	<u>0</u>
Fund Balances at Beginning of Year	456	2,953	384
Restatement	0	0	0
Restated Beginning Fund Balance	<u>456</u>	<u>2,953</u>	<u>384</u>
Fund Balance End of Year	<u>\$ 456</u>	<u>\$ 20,877</u>	<u>\$ 384</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	Technology For Education 27117	Incentives For School Improvement 27138	Pre K Initiative. 27149
<b>Revenues</b>			
Fees	\$ 0	\$ 0	\$ 0
State/Local Grants	23,949	0	0
Federal Grants	0	0	0
Total Revenues	<u>23,949</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>			
Current			
Instruction	11,776	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
Food Service	0	0	0
Total Expenditures	<u>11,776</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>12,173</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	2,084	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>2,084</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 12,173</u>	<u>\$ 2,084</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 SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	Beginning Teacher Mentoring 27154	Breakfast for Elementary Students 27155	Pre K Startup Cost 27161
<b>Revenues</b>			
Fees	\$ 0	\$ 0	\$ 0
State/Local Grants	4,645	23,139	0
Federal Grants	0	0	0
Total Revenues	<u>4,645</u>	<u>23,139</u>	<u>0</u>
<b>Expenditures</b>			
Current			
Instruction	3,228	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
Food Service	0	20,942	0
Total Expenditures	<u>3,228</u>	<u>20,942</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,417</u>	<u>2,197</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 1,417</u>	<u>\$ 2,197</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 SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	School in Need of Improvement 27163	Laws of New Mexico 27165	GO Bonds 27170
<b>Revenues</b>			
Fees	\$ 0	\$ 0	\$ -0
State/Local Grants	60,000	11,653	7,968
Federal Grants	0	0	0
Total Revenues	<u>60,000</u>	<u>11,653</u>	<u>7,968</u>
<b>Expenditures</b>			
Current			
Instruction	60,000	11,653	7,968
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
Food Service	0	0	0
Total Expenditures	<u>60,000</u>	<u>11,653</u>	<u>7,968</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<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 SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

	Gear Up CHE 28178	Yes I Can 29102	McCune 29114
Revenues			
Fees	\$ 0	\$ 0	\$ 0
State/Local Grants	10,551	8,500	0
Federal Grants	0	0	0
Total Revenues	<u>10,551</u>	<u>8,500</u>	<u>0</u>
Expenditures			
Current			
Instruction	8,157	0	0
Support Services-Students	2,394	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Food Service	0	0	0
Total Expenditures	<u>10,551</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>8,500</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	3,073
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>3,073</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 8,500</u>	<u>\$ 3,073</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR SPECIAL REVENUE FUNDS  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the Year Ended June 30, 2008

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	<u>Total</u>
Revenues	
Fees	\$ 59,924
State/Local Grants	190,135
Federal Grants	<u>603,244</u>
Total Revenues	<u>853,303</u>
Expenditures	
Current	
Instruction	301,585
Support Services-Students	155,206
Support Services-Instruction	561
Support Services-General Administration	4,082
Support Services-School Administration	1,156
Food Service	<u>437,833</u>
Total Expenditures	<u>900,423</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(47,120)</u>
Fund Balances at Beginning of Year	340,808
Restatement	<u>0</u>
Restated Beginning Fund Balance	<u>340,808</u>
Fund Balance End of Year	<u>\$ 293,688</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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>Local Sources</b>				
Fees	\$ 30,000	\$ 30,000	\$ 27,620	\$ (2,380)
Total Local Sources	<u>30,000</u>	<u>30,000</u>	<u>27,620</u>	<u>(2,380)</u>
<b>State Sources</b>				
Grants	23,139	23,139	3,095	(20,044)
Total State Sources	<u>23,139</u>	<u>23,139</u>	<u>3,095</u>	<u>(20,044)</u>
<b>Federal Sources</b>				
Grants	340,109	340,109	299,335	(40,774)
Total Federal Sources	<u>340,109</u>	<u>340,109</u>	<u>299,335</u>	<u>(40,774)</u>
Total Revenues	<u>393,248</u>	<u>393,248</u>	<u>330,050</u>	<u>(63,198)</u>
<b>Expenditures</b>				
<b>Food Service</b>				
Personnel Services	159,893	163,281	163,279	2
Employee Benefits	68,162	72,372	72,359	13
Purchased Property Services	0	2,655	2,655	0
Other Purchased Services	800	4,516	4,514	2
Supplies	224,323	205,354	146,395	58,959
Property	1,500	6,500	6,397	103
Total Food Service	<u>454,678</u>	<u>454,678</u>	<u>395,599</u>	<u>59,079</u>
Total Expenditures	<u>454,678</u>	<u>454,678</u>	<u>395,599</u>	<u>59,079</u>
Excess (Deficiency) of Revenues Over Expenditures	(61,430)	(61,430)	(65,549)	(4,119)
Cash Balance Beginning of Year	<u>65,829</u>	<u>65,829</u>	<u>65,829</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 4,399</u>	<u>\$ 4,399</u>	<u>\$ 280</u>	<u>\$ (4,119)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (65,549)	
Net change in Inventory			63	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (65,486)</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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Sources				
Fees-Activities	\$ 30,000	\$ 30,000	\$ 32,304	\$ 2,304
Total Local Sources	<u>30,000</u>	<u>30,000</u>	<u>32,304</u>	<u>2,304</u>
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>32,304</u>	<u>2,304</u>
Expenditures				
Instruction				
Purchased Services	60,000	60,000	6,749	53,251
Supplies	85,060	85,060	11,286	73,774
Property	81,000	81,000	0	81,000
Total Instruction	<u>226,060</u>	<u>226,060</u>	<u>18,035</u>	<u>208,025</u>
Total Expenditures	<u>226,060</u>	<u>226,060</u>	<u>18,035</u>	<u>208,025</u>
Excess (Deficiency) of Revenues Over Expenditures	(196,060)	(196,060)	14,269	210,329
Cash Balance Beginning of Year	<u>196,060</u>	<u>196,060</u>	<u>196,060</u>	<u>0</u>
Cash Balance End of Year	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>210,329</u></u>	\$ <u><u>210,329</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>14,269</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u><u>14,269</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-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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Grants	\$ 117,000	\$ 117,000	\$ 74,796	\$ (42,204)
Total Federal Sources	<u>117,000</u>	<u>117,000</u>	<u>74,796</u>	<u>(42,204)</u>
Total Revenues	<u>117,000</u>	<u>117,000</u>	<u>74,796</u>	<u>(42,204)</u>
Expenditures				
Instruction				
Personnel Services	42,941	41,371	37,967	3,404
Employee Benefits	14,169	15,739	15,303	436
Total Instruction	<u>57,110</u>	<u>57,110</u>	<u>53,270</u>	<u>3,840</u>
Support Services-Students				
Personnel Services	44,779	43,729	43,637	92
Employee Benefits	15,221	16,271	16,222	49
Total Support Services- Students	<u>60,000</u>	<u>60,000</u>	<u>59,859</u>	<u>141</u>
Total Expenditures	\$ <u>117,110</u>	\$ <u>117,110</u>	\$ <u>113,129</u>	\$ <u>3,981</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (110)	\$ (110)	\$ (38,333)	\$ (38,223)
Cash Balance Beginning of Year	<u>110</u>	<u>110</u>	<u>110</u>	<u>0</u>
Cash Balance End of Year	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>(38,223)</u></u>	\$ <u><u>(38,223)</u></u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (38,333)	
Net change in Due from Grantor			<u>38,333</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-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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final - Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Grants	\$ 0	\$ 5,859	\$ 0	\$ (5,859)
Total Federal Sources	<u>0</u>	<u>5,859</u>	<u>0</u>	<u>(5,859)</u>
Total Revenues	<u>0</u>	<u>5,859</u>	<u>0</u>	<u>(5,859)</u>
Expenditures				
Instruction				
Supply Assets	0	5,859	5,859	0
Total Instruction	<u>0</u>	<u>5,859</u>	<u>5,859</u>	<u>0</u>
Total Expenditures	<u>\$ 0</u>	<u>\$ 5,859</u>	<u>\$ 5,859</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(5,859)	(5,859)
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>\$ (5,859)</u>	<u>\$ (5,859)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,859)	
Net change in Due from Grantor			5,859	
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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Grants	\$ 3,274	\$ 11,910	\$ 3,185	\$ (8,725)
Total Federal Sources	<u>3,274</u>	<u>11,910</u>	<u>3,185</u>	<u>(8,725)</u>
Total Revenues	<u>3,274</u>	<u>11,910</u>	<u>3,185</u>	<u>(8,725)</u>
Expenditures				
Instruction				
Supplies	0	8,636	8,636	0
Total Instruction	<u>0</u>	<u>8,636</u>	<u>8,636</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	89	89	89	0
Total Support Services-General Administration	<u>89</u>	<u>89</u>	<u>89</u>	<u>0</u>
Total Expenditures	<u>89</u>	<u>8,725</u>	<u>8,725</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	3,185	3,185	(5,540)	(8,725)
Cash Balance Beginning of Year	<u>(3,185)</u>	<u>(3,185)</u>	<u>(3,185)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(8,725)</u>	\$ <u>(8,725)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,540)	
Net change in Due from Grantor			<u>5,540</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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>Federal Sources</b>				
Grants	\$ 11,458	\$ 49,581	\$ 22,228	\$ (27,353)
Total Federal Sources	<u>11,458</u>	<u>49,581</u>	<u>22,228</u>	<u>(27,353)</u>
Total Revenues	<u>11,458</u>	<u>49,581</u>	<u>22,228</u>	<u>(27,353)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	2,021	1,503	518
Employee Benefits	0	752	746	6
Other Purchased Services	0	12,011	11,658	353
Supplies	0	20,185	19,366	819
Total Instruction	<u>0</u>	<u>34,969</u>	<u>33,273</u>	<u>1,696</u>
<b>Support Services-Students</b>				
Other Purchased Services	0	2,000	1,975	25
Total Support Services-Students	<u>0</u>	<u>2,000</u>	<u>1,975</u>	<u>25</u>
<b>Support Services-Instructions</b>				
Other Purchased Services	0	562	561	1
Total Support Services-Instruction	<u>0</u>	<u>562</u>	<u>561</u>	<u>1</u>
<b>Support Services-General Administration</b>				
Professional & Tech Services	0	592	592	0
Total Support Services-General Administration	<u>0</u>	<u>592</u>	<u>592</u>	<u>0</u>
Total Expenditures	\$ <u>0</u>	\$ <u>38,123</u>	\$ <u>36,401</u>	\$ <u>1,722</u>
Excess (Deficiency) of Revenues Over Expenditures	11,458	11,458	(14,173)	(25,631)
Cash Balance Beginning of Year	<u>(11,458)</u>	<u>(11,458)</u>	<u>(11,458)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(25,631)</u>	\$ <u>(25,631)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (14,173)	
Net change in Due from Grantor			14,173	
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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>Federal Sources</b>				
Grants	\$ 83,735	\$ 84,235	\$ 57,232	\$ (27,003)
Total Federal Sources	<u>83,735</u>	<u>84,235</u>	<u>57,232</u>	<u>(27,003)</u>
Total Revenues	<u>83,735</u>	<u>84,235</u>	<u>57,232</u>	<u>(27,003)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	33,489	33,489	31,941	1,548
Employee Benefits	12,539	12,539	10,744	1,795
Other Purchased Services	10,000	10,500	3,493	7,007
Total Instruction	<u>56,028</u>	<u>56,528</u>	<u>46,178</u>	<u>10,350</u>
<b>Support Services-General Administration</b>				
Professional & Tech Services	960	960	771	189
Total Support Services-General Administration	<u>960</u>	<u>960</u>	<u>771</u>	<u>189</u>
Total Expenditures	<u>56,988</u>	<u>57,488</u>	<u>46,949</u>	<u>10,539</u>
Excess (Deficiency) of Revenues Over Expenditures	26,747	26,747	10,283	(16,464)
Cash Balance Beginning of Year	<u>(26,747)</u>	<u>(26,747)</u>	<u>(26,747)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (16,464)</u>	<u>\$ (16,464)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 10,283	
Net change in Due from Grantor			<u>(10,283)</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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Grants	\$ 6,547	\$ 7,507	\$ 2,651	\$ (4,856)
Total Federal Sources	<u>6,547</u>	<u>7,507</u>	<u>2,651</u>	<u>(4,856)</u>
Total Revenues	<u>6,547</u>	<u>7,507</u>	<u>2,651</u>	<u>(4,856)</u>
Expenditures				
Instruction				
Supplies	<u>3,832</u>	<u>4,792</u>	<u>4,185</u>	<u>607</u>
Total Instruction	<u>3,832</u>	<u>4,792</u>	<u>4,185</u>	<u>607</u>
Support Services-General Administration				
Professional & Tech Services	<u>64</u>	<u>64</u>	<u>64</u>	<u>0</u>
Total Support Services-General Administration	<u>64</u>	<u>64</u>	<u>64</u>	<u>0</u>
Total Expenditures	<u>3,896</u>	<u>4,856</u>	<u>4,249</u>	<u>607</u>
Excess (Deficiency) of Revenues Over Expenditures	2,651	2,651	(1,598)	(4,249)
Cash Balance Beginning of Year	<u>(2,651)</u>	<u>(2,651)</u>	<u>(2,651)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (4,249)</u>	<u>\$ (4,249)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,598)	
Net change in Due from Grantor			<u>1,598</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-IMIGRANT FUNDING-TITLE III-24163  
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				
Federal Sources				
Grants	\$ 20,322	\$ 20,322	\$ 20,322	\$ 0
Total Federal Sources	<u>20,322</u>	<u>20,322</u>	<u>20,322</u>	<u>0</u>
Total Revenues	<u>20,322</u>	<u>20,322</u>	<u>20,322</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	20,322	20,322	20,322	0
Cash Balance Beginning of Year	<u>(20,322)</u>	<u>(20,322)</u>	<u>(20,322)</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			\$ 20,322	
Net change in Due from Grantor			<u>(20,322)</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 TECH PREP-24168  
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				
State Sources				
Grants	\$ 119,358	\$ 119,358	\$ 119,358	\$ 0
Total State Sources	<u>119,358</u>	<u>119,358</u>	<u>119,358</u>	<u>0</u>
Total Revenues	<u>119,358</u>	<u>119,358</u>	<u>119,358</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	119,358	119,358	119,358	0
Cash Balance Beginning of Year	<u>(119,358)</u>	<u>(119,358)</u>	<u>(119,358)</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			\$ 119,358	
Net change in Due from Grantor			<u>(119,358)</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 PERKINS HSTW-24180  
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				
Federal Sources				
Grants	\$ 26,594	\$ 46,594	\$ 37,930	\$ (8,664)
Total Federal Sources	<u>26,594</u>	<u>46,594</u>	<u>37,930</u>	<u>(8,664)</u>
Total Revenues	<u>26,594</u>	<u>46,594</u>	<u>37,930</u>	<u>(8,664)</u>
Expenditures				
Instruction				
Employee Benefits	0	100	100	0
Other Purchased Services	0	12,799	9,925	2,874
Supplies	0	2,891	2,890	1
Total Instruction	<u>0</u>	<u>15,790</u>	<u>12,915</u>	<u>2,875</u>
Support Services-General Administration				
Other Purchased Services	0	3,052	2,567	485
Total Support Services-General Adm	<u>0</u>	<u>3,052</u>	<u>2,567</u>	<u>485</u>
Support Services-School Administration				
Employee Benefits	0	10	0	10
Other Purchased Services	0	1,158	1,156	2
Total Support Services-School Administration	<u>0</u>	<u>1,158</u>	<u>1,156</u>	<u>2</u>
Total Expenditures	<u>0</u>	<u>20,000</u>	<u>16,638</u>	<u>3,362</u>
Excess (Deficiency) of Revenues Over Expenditures	26,594	26,594	21,292	(5,302)
Cash Balance Beginning of Year	<u>(26,594)</u>	<u>(26,594)</u>	<u>(26,594)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (5,302)</u>	<u>\$ (5,302)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 21,292	
Net change in Due from Grantor			<u>(21,292)</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, 2007

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Sources				
Grants	\$ 0	\$ 0	\$ 104	\$ 104
Total Federal Sources	<u>0</u>	<u>0</u>	<u>104</u>	<u>104</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>104</u>	<u>104</u>
<b>Expenditures</b>				
Instruction				
Personnel Services				
Employee Benefits				
Professional & Tech Services				
Other Purchased Services	0	0	0	0
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	104	104
Cash Balance Beginning of Year	<u>28,428</u>	<u>28,428</u>	<u>28,428</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 28,428</u>	<u>\$ 28,428</u>	<u>\$ 28,532</u>	<u>\$ 104</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 104	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 104</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-MEDICAID-25153  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2007

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>Federal Sources</b>				
Grants	\$ 0	\$ 44,816	\$ 46,901	\$ 2,085
Total Federal Sources	<u>0</u>	<u>44,816</u>	<u>46,901</u>	<u>2,085</u>
Total Revenues	<u>0</u>	<u>44,816</u>	<u>46,901</u>	<u>2,085</u>
<b>Expenditures</b>				
<b>Support Services-Students</b>				
Personnel Services	0	56,685	56,685	0
Employee Benefits	0	17,297	17,297	0
Professional & Tech Services	0	1,696	1,696	0
Other Purchased Services	0	9,442	9,442	0
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>85,120</u>	<u>85,120</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>85,120</u>	<u>85,120</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(40,304)	(38,219)	2,085
Cash Balance Beginning of Year	<u>40,304</u>	<u>40,304</u>	<u>40,304</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 40,304</u>	<u>\$ 0</u>	<u>\$ 2,085</u>	<u>\$ 2,085</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (38,219)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (38,219)</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-LUNA HEALTH EDUCATION-25172  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2007

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>				
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>1,000</u>
Cash Balance End of Year	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
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, 2007

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Grants	\$ 194	\$ 4,196	\$ 3,194	\$ (1,002)
Total Federal Sources	<u>194</u>	<u>4,196</u>	<u>3,194</u>	<u>(1,002)</u>
Total Revenues	<u>194</u>	<u>4,196</u>	<u>3,194</u>	<u>(1,002)</u>
Expenditures				
Instruction				
Supplies	0	4,002	3,600	402
Total Instruction	<u>0</u>	<u>4,002</u>	<u>3,600</u>	<u>402</u>
Total Expenditures	<u>0</u>	<u>4,002</u>	<u>3,600</u>	<u>402</u>
Excess (Deficiency) of Revenues Over Expenditures	194	194	(406)	(600)
Cash Balance Beginning of Year	<u>(194)</u>	<u>(194)</u>	<u>(194)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (600)</u>	<u>\$ (600)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (406)	
Net change in Due from Grantor			406	
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 FOUNDATION-26105  
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		
<b>Revenues</b>				
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>				
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>456</u>
Cash Balance End of Year	<u>\$ 456</u>	<u>\$ 456</u>	<u>\$ 456</u>	<u>\$ 456</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
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-LANL FOUNDATION-26113  
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		
<b>Revenues</b>				
State Sources				
Grants	\$ 0	\$ 36,635	\$ 36,635	\$ 0
Total State Sources	<u>0</u>	<u>36,635</u>	<u>36,635</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>36,635</u>	<u>36,635</u>	<u>0</u>
<b>Expenditures</b>				
Instruction				
Other Purchased Services	0	30,957	13,686	17,271
Supplies	0	3,635	2,545	1,090
Supply Assets	0	2,043	2,043	0
Total Instruction	<u>0</u>	<u>36,635</u>	<u>18,274</u>	<u>18,361</u>
Total Expenditures	<u>0</u>	<u>36,635</u>	<u>18,274</u>	<u>18,361</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	18,361	18,361
Cash Balance Beginning of Year	<u>2,954</u>	<u>2,954</u>	<u>2,954</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,954</u>	<u>\$ 2,954</u>	<u>\$ 21,315</u>	<u>\$ 18,361</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 18,361	
Net change in Due from Grantor			(437)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 17,924</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 EDUCATION & STUDY-26146  
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		
<b>Revenues</b>				
Total Revenues	0	0	0	0
<b>Expenditures</b>				
Total Expenditures	0	0	0	0
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	384	384	384	0
Cash Balance End of Year	\$ 384	\$ 384	\$ 384	\$ 0
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>State Sources</b>				
Grants	0	\$ 12,241	\$ 23,948	\$ 11,707
Total State Sources	0	12,241	23,948	11,707
Total Revenues	0	12,241	23,948	11,707
<b>Expenditures</b>				
<b>Instruction</b>				
Other Purchased Services	0	5,037	5,036	1
Supplies	0	5,646	5,645	1
Supply Assets	0	1,558	1,094	464
Total Instruction	0	12,241	11,775	466
Total Expenditures	0	12,241	11,775	466
Excess (Deficiency) of Revenues Over Expenditures	0	0	12,173	12,173
Cash Balance Beginning of Year	0	0	0	0
Cash Balance End of Year	0	0	12,173	12,173
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 12,173	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 12,173	

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, 2007

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Total Revenues	<u>0</u>	<u>0</u>	<u>0</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	0	0	0	0
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>\$ 2,084</u>	<u>\$ 2,084</u>	<u>\$ 2,084</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-PRE K INITIATIVE-27149  
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				
State Sources				
Grants	\$ 34,145	\$ 34,145	\$ 34,145	\$ 0
Total State Sources	<u>34,145</u>	<u>34,145</u>	<u>34,145</u>	<u>0</u>
Total Revenues	<u>34,145</u>	<u>34,145</u>	<u>34,145</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	34,145	34,145	34,145	0
Cash Balance Beginning of Year	<u>(34,145)</u>	<u>(34,145)</u>	<u>(34,145)</u>	<u>(34,145)</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (34,145)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 34,145	
Net change in Due from Grantor			<u>(34,145)</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 PROGRAM-27154  
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		
<b>Revenues</b>				
<b>State Sources</b>				
Grants	\$ 2,098	\$ 7,005	\$ 6,743	\$ (262)
Total State Sources	<u>2,098</u>	<u>7,005</u>	<u>6,743</u>	<u>(262)</u>
Total Revenues	<u>2,098</u>	<u>7,005</u>	<u>6,743</u>	<u>(262)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Employee Benefits	0	262	260	2
Other Purchased Services	0	4,645	2,968	1,677
Total Instruction	<u>0</u>	<u>4,907</u>	<u>3,228</u>	<u>1,679</u>
Total Expenditures	<u>0</u>	<u>4,907</u>	<u>3,228</u>	<u>1,679</u>
Excess (Deficiency) of Revenues Over Expenditures	2,098	2,098	3,515	1,417
Cash Balance Beginning of Year	<u>(2,098)</u>	<u>(2,098)</u>	<u>(2,098)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,417</u>	<u>\$ 1,417</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,515	
Net change in Due from Grantor			<u>(2,098)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 1,417</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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>State Sources</b>				
Grants	\$ 0	\$ 0	\$ 23,139	\$ 23,139
Total State Sources	<u>0</u>	<u>0</u>	<u>23,139</u>	<u>23,139</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>23,139</u>	<u>23,139</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Supplies	23,139	23,139	20,942	2,197
Total Instruction	<u>23,139</u>	<u>23,139</u>	<u>20,942</u>	<u>2,197</u>
Total Expenditures	<u>23,139</u>	<u>23,139</u>	<u>20,942</u>	<u>2,197</u>
Excess (Deficiency) of Revenues Over Expenditures	(23,139)	(23,139)	2,197	25,336
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	\$ <u>(23,139)</u>	\$ <u>(23,139)</u>	\$ <u>2,197</u>	\$ <u>25,336</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>2,197</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>2,197</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 START UP-27161  
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				
State Sources				
Grants	\$ 30,858	\$ 84,298	\$ 30,858	\$ (53,440)
Total State Sources	<u>30,858</u>	<u>84,298</u>	<u>30,858</u>	<u>(53,440)</u>
Total Revenues	<u>30,858</u>	<u>84,298</u>	<u>30,858</u>	<u>(53,440)</u>
Expenditures				
Instruction				
Property	0	53,440	0	53,440
Total Instruction	<u>0</u>	<u>53,440</u>	<u>0</u>	<u>53,440</u>
Total Expenditures	<u>0</u>	<u>53,440</u>	<u>0</u>	<u>53,440</u>
Excess (Deficiency) of Revenues Over Expenditures	30,858	30,858	30,858	0
Cash Balance Beginning of Year	<u>(30,858)</u>	<u>(30,858)</u>	<u>(30,858)</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			\$ 30,858	
Net change in Due from Grantor			(30,858)	
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-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, 2007

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Sources				
Grants	\$ 0	\$ 60,000	\$ 41,133	\$ (18,867)
Total State Sources	<u>0</u>	<u>60,000</u>	<u>41,133</u>	<u>(18,867)</u>
Total Revenues	<u>0</u>	<u>60,000</u>	<u>41,133</u>	<u>(18,867)</u>
Expenditures				
Instruction				
Personnel Services	0	46,808	46,808	0
Employee Benefits		13,192	13,192	
Total Instruction	<u>0</u>	<u>60,000</u>	<u>60,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>60,000</u>	<u>60,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(18,867)	(18,867)
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>\$ (18,867)</u>	<u>\$ (18,867)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (18,867)	
Net change in Due from Grantor			18,867	
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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>Federal Sources</b>				
Grants	\$ 0	\$ 14,000	\$ 0	\$ (14,000)
Total Federal Sources	<u>0</u>	<u>14,000</u>	<u>0</u>	<u>(14,000)</u>
Total Revenues	<u>0</u>	<u>14,000</u>	<u>0</u>	<u>(14,000)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	800	800	0
Employee Benefits	0	159	156	3
Supplies	0	8,309	7,719	590
Supply Assets	0	3,534	2,978	556
Total Instruction	<u>0</u>	<u>12,802</u>	<u>11,653</u>	<u>1,149</u>
Total Expenditures	<u>0</u>	<u>12,802</u>	<u>11,653</u>	<u>1,149</u>
Excess (Deficiency) of Revenues Over Expenditures	0	1,198	(11,653)	(12,851)
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>\$ 1,198</u>	<u>\$ (11,653)</u>	<u>\$ (12,851)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (11,653)	
Net change in Due from Grantor			11,653	
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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
<b>State Sources</b>				
Grants	\$ 0	\$ 10,181	\$ 0	\$ (10,181)
Total State Sources	<u>0</u>	<u>10,181</u>	<u>0</u>	<u>(10,181)</u>
Total Revenues	<u>0</u>	<u>10,181</u>	<u>0</u>	<u>(10,181)</u>
<b>Expenditures</b>				
<b>Support Services-Instruction</b>				
Supplies	<u>0</u>	<u>10,181</u>	<u>7,968</u>	<u>2,213</u>
Total Support Services-Instruction	<u>0</u>	<u>10,181</u>	<u>7,968</u>	<u>2,213</u>
Total Expenditures	<u>0</u>	<u>10,181</u>	<u>7,968</u>	<u>2,213</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(7,968)	(7,968)
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>\$ (7,968)</u>	<u>\$ (7,968)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
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-GEAR UP CHE-28178  
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		
<b>Revenues</b>				
<b>State Sources</b>				
Grants	\$ 0	\$ 13,208	\$ 0	\$ (13,208)
Total State Sources	0	13,208	0	(13,208)
Total Revenues	0	13,208	0	(13,208)
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	3,819	3,801	18
Employee Benefits	0	1,594	682	912
Other Purchased Services	0	2,333	1,173	1,160
Supplies	0	3,066	2,500	566
Total Instruction	0	10,812	8,156	2,656
<b>Support Services-Students</b>				
Personnel Services	0	2,000	2,000	
Employee Benefits	0	396	394	2
Total Support Services-Students	0	2,396	2,394	2
Total Expenditures	0	13,208	10,550	2,658
Excess (Deficiency) of Revenues Over Expenditures	0	0	(10,550)	(10,550)
Cash Balance Beginning of Year	0	0	0	0
Cash Balance End of Year	\$ 0	\$ 0	\$ (10,550)	\$ (10,550)
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (10,550)	
Net change in Due from Grantor			10,550	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Sources				
Grants	\$ 0	\$ 0	\$ 8,500	\$ 8,500
Total State Sources	<u>0</u>	<u>0</u>	<u>8,500</u>	<u>8,500</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>8,500</u>	<u>8,500</u>
Expenditures				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	8,500	8,500
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>\$ 8,500</u>	<u>\$ 8,500</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>8,500</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>8,500</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-MCCUNE-29114  
 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				
Total Revenues	<u>0</u>	<u>0</u>	<u>0</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	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			<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.

**NONMAJOR CAPITAL PROJECTS FUNDS**

**Public School Capital Outlay (31200)**

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

**Special Capital Outlay-State (31400)**

To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading buildings.

**Public School Capital Outlay-20% (32100)**

The revenues are derived from 20% of the District Tax Levy set aside for capital improvements.

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR CAPITAL PROJECTS FUNDS  
Combining Balance Sheet  
June 30, 2008

	Public School Capital Outlay 31200	Special Capital Outlay-State 31400	Public School Capital Outlay-20% 32100
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 23	\$ 18,239
Receivables			
Taxes		0	0
Due From Grantor	476	0	0
Total Assets	<u>\$ 476</u>	<u>\$ 23</u>	<u>\$ 18,239</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Interfund Balance	\$ 476	\$ 0	\$ 0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>476</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for Capital Improvements	<u>0</u>	<u>23</u>	<u>18,239</u>
Total Fund Balance	<u>0</u>	<u>23</u>	<u>18,239</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 476</u>	<u>\$ 23</u>	<u>\$ 18,239</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR CAPITAL PROJECTS FUNDS  
Combining Balance Sheet  
June 30, 2008

---

	<u>Total</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 18,262
Receivables	
Taxes	0
Due From Grantor	476
Total Assets	<u>\$ 18,738</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Interfund Balance	\$ 476
Accounts Payable	0
Deferred Revenue	0
Total Liabilities	<u>476</u>
Fund Balance	
Reserved for Capital Improvements	18,262
Total Fund Balance	<u>18,262</u>
Total Liabilities and Fund Balance	<u>\$ 18,738</u>

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



STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
NONMAJOR CAPITAL PROJECTS FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
For the Year Ended June 30, 2008

	Public School Capital Outlay 31200	Special Capital Outlay-State 31400	Public School Capital Outlay-20% 32100
Revenues			
State/Local Grants	\$ 0	\$ 23	\$ 0
Total Revenues	<u>0</u>	<u>23</u>	<u>0</u>
Expenditures			
Administration	0	0	0
Operation of Plant	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	<u>0</u>	<u>23</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	18,239
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>18,239</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 23</u>	<u>\$ 18,239</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balances  
 For the Year Ended June 30, 2008

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	<u>Total</u>
Revenues	
State/Local Grants	\$ 23
Total Revenues	<u>23</u>
Expenditures	
Administration	0
Operation of Plant	0
Capital Outlay	0
Total Expenditures	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>23</u>
Fund Balances at Beginning of Year	18,239
Restatement	0
Restated Beginning Fund Balance	<u>18,239</u>
Fund Balance End of Year	<u>\$ 18,262</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 CAPITAL PROJECTS 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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>				
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>(476)</u>	<u>(476)</u>	<u>(476)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (476)</u>	<u>\$ (476)</u>	<u>\$ (476)</u>	<u>0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
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**  
 CAPITAL PROJECTS FUND-SPECIAL CAPITAL OUTLAY-STATE-31400  
 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				
State Sources				
Grants	\$ 40,000	\$ 40,000	\$ 40,000	\$ 0
Total State Sources	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>0</u>
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>0</u>
Expenditures				
Capital Outlay				
Property	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Outlay	<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	40,000	40,000	40,000	0
Cash Balance Beginning of Year	<u>(39,977)</u>	<u>(39,977)</u>	<u>(39,977)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 23</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			\$ 40,000	
Net change in Due from Grantor			<u>(39,977)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 23</u>	

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 CAPITAL PROJECTS 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, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>				
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>18,239</u>	<u>18,239</u>	<u>18,239</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 18,239</u>	<u>\$ 18,239</u>	<u>\$ 18,239</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
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.

**NONMAJOR DEBT SERVICE FUND**

**Education Technology 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**  
DEBT SERVICE-EDUCATION TECHNOLOGY-43000  
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		
<b>Revenues</b>				
<b>Local Sources</b>				
Taxes	\$ 2,252	\$ 2,252	\$ 1,666	\$ (586)
Total Local Sources	<u>2,252</u>	<u>2,252</u>	<u>1,666</u>	<u>(586)</u>
Total Revenues	<u>2,252</u>	<u>2,252</u>	<u>1,666</u>	<u>(586)</u>
<b>Expenditures</b>				
<b>Support Services-General Administration</b>				
Professional & Tech Services	<u>100</u>	<u>100</u>	<u>17</u>	<u>83</u>
Total Support Services-General Administration	<u>100</u>	<u>100</u>	<u>17</u>	<u>83</u>
<b>Debt Service</b>				
Debt Service Reserve	<u>13,114</u>	<u>13,114</u>	<u>0</u>	<u>13,114</u>
Total Debt Service	<u>13,114</u>	<u>13,114</u>	<u>0</u>	<u>13,114</u>
Total Expenditures	<u>13,214</u>	<u>13,214</u>	<u>17</u>	<u>13,197</u>
Excess (Deficiency) of Revenues Over Expenditures	(10,962)	(10,962)	1,649	12,611
Cash Balance Beginning of Year	<u>10,962</u>	<u>10,962</u>	<u>10,962</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,611</u>	<u>\$ 12,611</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,649	
Net change in Taxes Receivables			<u>(70)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 1,579</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  
 Statement of Fiduciary Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2008

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	<u>Balance</u> <u>06/30/07</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/08</u>
<b>ASSETS</b>				
Activity Trust Fund	\$ 125,050	\$ 142,024	\$ 143,098	\$ 123,976
Total Assets	<u>\$ 125,050</u>	<u>\$ 142,024</u>	<u>\$ 143,098</u>	<u>\$ 123,976</u>
<b>LIABILITIES</b>				
Due to Student Groups	\$ 125,050	\$ 142,024	\$ 143,098	\$ 123,976
Total Liabilities	<u>\$ 125,050</u>	<u>\$ 142,024</u>	<u>\$ 143,098</u>	<u>\$ 123,976</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 AGENCY FUNDS - ACTIVITY  
 Statement of Fiduciary Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2008

	Balance 06/30/07	Additions	Deletions	Balance 06/30/08
<b>ASSETS</b>				
Art	\$ 1,020	\$ 0	\$ 1,020	\$ 0
Band	1,350	103	72	1,381
Boys/Girls State	828	0	828	0
Cheerleaders	4,112	2,810	2,956	3,966
HS Sunshine Club (Stsff)	356	408	87	677
Jurewich Plant	160	0	0	160
High School Girls Softball	0	1,105	805	300
Class of 2011	0	702	38	664
Rural Revitalization	1,414	0	0	1,414
General Fund/ Unused Balance	0	15,878	919	14,959
Class of 2010	526	1,832	280	2,078
Class of 2003	723	0	723	0
Enchantment	1,820	625	1,820	625
FCCLA	27	0	0	27
HS Student Council	540	630	560	610
Industrial Arts	2,556	0	2,556	0
MS Activity	3,832	1,250	4,995	87
HS Library	754	788	1,276	266
HS Boys Basketball	954	4,053	4,323	684
Danz Team	220	0	220	0
National Honor Society	1,342	100	170	1,272
BPA	238	0	0	238
Spanish Club	905	80	95	890
Sanchez Scholarship	1,267	768	900	1,135
Needy Children	238	426	426	238
Elementary Activity	1,458	3,231	4,094	595
General Activity	2,763	716	2,253	1,226
Insurance Fund	6,955	64	0	7,019
HS General Activity	4,851	1,340	1,079	5,112
HS Mesa	175	0	118	57
Elementary Science Fund	684	0	684	0
Volleyball	5,604	3,326	7,438	1,492
MS Mesa	1,305	0	96	1,209
Baseball	699	648	667	680
HS Girls Basketball	2,164	2,240	2,393	2,011
Mariachi	755	5,650	2,728	3,677
Cross Country	300	3,221	2,325	1,196
MS Student Council	786	2,590	1,905	1,471
MS Girls Basketball	509	0	45	464
Parents for Better Education	29	0	29	0
Special Olympics	645	0	645	0
MS National Jr Honor Society	0	0	0	0
Elementary Library	4,759	8,396	7,926	5,229
Class of 2002	112	0	112	0
Elementary Cheerleaders	\$ 1	\$ 0	\$ 0	\$ 1

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 AGENCY FUNDS - ACTIVITY  
 Statement of Fiduciary Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2008

	Balance 06/30/07	Additions	Deletions	Balance 06/30/08
Kinder Rogers	\$ 9	\$ 363	\$ 343	\$ 29
MS Fundraising	12,743	(147)	307	12,289
Elementary Well-Being	0	0	0	0
Elementary Computer	460	0	460	0
ES Student Success	8	0	8	0
S. Kass Mini-Grant	290	0	290	0
MS Well Being	104	0	0	104
MS Cheerleaders	16	3,067	2,798	285
MS Lost Book Fund	773	0	773	0
Kinder/MS Anderson	219	0	0	219
Class of 2004	2,187	0	2,187	0
Varsity Track	1,751	2,030	3,226	555
MS Science Fair	165	0	165	0
Kinder/Gonzales	34	0	34	0
Locker/HS	929	620	0	1,549
HS/MS Drama	1,311	0	1,311	0
Class of 2005	1,504	0	1,504	0
HS MECHA	229	0	229	0
Transportation EE	0	0	0	0
Territorial Title Scholarship	250	0	250	0
Elementary Yearbook	4,064	4,279	2,545	5,798
Elementary Arts Fund	190	0	190	0
ES Kinder Archuleta	7	0	6	1
MS CC & Track	76	0	0	76
ES Conflict Managers	53	0	53	0
MS MECHA	94	0	95	(1)
ES Campus Beautification	110	0	110	0
Ancillary	215	368	204	379
Bilingual	472	12	0	484
Baile Folklorico	44	0	44	0
Literacy Night/Accelerated Reader	1,594	0	816	778
Journalism	610	160	0	770
MS Volleyball	26	2	28	0
Class of 2007	406	0	0	406
Athletics-General Fund	513	1	0	514
Elementary 5th Grade	336	0	336	0
NMPSIA	191	33,045	32,849	387
Class of 2006	879	0	879	0
6th Grade Special Education	398	0	0	398
Elementary Kindergarten	19	0	19	0
HS Wrestling	445	418	412	451
Pecos Facs Academy	\$ 121	\$ 0	\$ 121	\$ 0

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 AGENCY FUNDS - ACTIVITY  
 Statement of Fiduciary Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2008

	Balance 06/30/07	Additions	Deletions	Balance 06/30/08
David Ules Ruiz Scholarship	\$ 475	\$ 0	\$ 0	\$ 475
District 8-AA	1,381	1	0	1,382
Principal's Incentive Award	13,573	24,339	18,219	19,693
Sheriff's Possee Scholarship	0	0	0	0
Laptop Deposits	5,695	0	0	5,695
Elementary Business Community	56	0	56	0
Adrian Quintana Memorial	2,548	0	500	2,048
Class of 2008	1,380	3,001	3,048	1,333
Diego Quintana Scholarship	5,000	4,000	6,000	3,000
Class of 2009	345	2,893	3,077	161
Mid School Yearbook	1,016	591	0	1,607
Afterschool Fundraising	0	0	0	0
Total Assets	<u>\$ 125,050</u>	<u>\$ 142,024</u>	<u>\$ 143,098</u>	<u>\$ 123,976</u>
<b>LIABILITIES</b>				
Deposits Held for Others	\$ 125,050	\$ 142,024	\$ 143,098	\$ 123,976
Total Liabilities	<u>\$ 125,050</u>	<u>\$ 142,024</u>	<u>\$ 143,098</u>	<u>\$ 123,976</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 Cash Reconciliations - All Funds  
 For the Year Ended June 30, 2008

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	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>
Net Cash in Bank 6/30/07	\$ 754,067	\$ 35,558	(53,701)
Add: 2007-08			
Revenues	8,226,553	25,950	516,073
Transfers	0	0	0
Interfund Balance	0	0	0
TOTAL Cash Available	<u>8,980,620</u>	<u>61,508</u>	<u>462,372</u>
Less: 2007-08			
Expenditures	8,279,777	8,922	462,372
Transfers	0	0	0
Loan to Other Funds	0	0	0
Returned to PED	0	0	0
	<u>8,279,777</u>	<u>8,922</u>	<u>462,372</u>
 TOTAL Cash 6/30/08	 <u>\$ 700,843</u>	 <u>\$ 52,586</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**  
 Cash Reconciliations - All Funds  
 For the Year Ended June 30, 2008

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	Instructional Materials	Food Service	Athletics
Net Cash in Bank 6/30/07	\$ 8,165	\$ 65,829	\$ 196,060
Add: 2007-08			
Revenues	76,893	330,050	32,304
Transfers	0	0	0
Interfund Balance	0	0	0
TOTAL Cash Available	<u>85,058</u>	<u>395,879</u>	<u>228,364</u>
Less: 2007-08			
Expenditures	71,347	395,599	18,035
Transfers	0	0	0
Loan to Other Funds	0	0	0
Returned to PED	0	0	0
	<u>71,347</u>	<u>395,599</u>	<u>18,035</u>
 TOTAL Cash 6/30/08	 <u>\$ 13,711</u>	 <u>\$ 280</u>	 <u>\$ 210,329</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
Cash Reconciliations - All Funds  
For the Year Ended June 30, 2008

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	Activities 23000	Federal Flowthrough 24000	Federal Direct 25000
Net Cash in Bank 6/30/07	\$ 125,050	\$ (308,768)	\$ 69,538
Add: 2007-08			
Revenues	142,024	509,411	50,199
Transfers	0	0	0
Interfund Balance	0	0	0
TOTAL Cash Available	<u>267,074</u>	<u>200,643</u>	<u>119,737</u>
Less: 2007-08			
Expenditures	143,098	413,937	88,719
Transfers	0	0	0
Loan to Other Funds	0	0	0
Returned to PED	0	0	0
	<u>143,098</u>	<u>413,937</u>	<u>88,719</u>
TOTAL Cash 6/30/08	<u>\$ 123,976</u>	<u>\$ (213,294)</u>	<u>\$ 31,018</u>

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



STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 Cash Reconciliations - All Funds  
 For the Year Ended June 30, 2008

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	Local and Other Grants 26000	State Flowthrough 27000	State Direct 28000
Net Cash in Bank 6/30/07	\$ 3,794	\$ (65,017)	\$ -0
Add: 2007-08			
Revenues	36,634	159,967	0
Transfers	0	0	0
Interfund Balance	0	0	0
TOTAL Cash Available	<u>40,428</u>	<u>94,950</u>	<u>0</u>
Less: 2007-08			
Expenditures	18,274	115,566	10,550
Transfers	0	0	0
Loan to Other Funds	0	0	0
Returned to PED	0	0	0
	<u>18,274</u>	<u>115,566</u>	<u>10,550</u>
 TOTAL Cash 6/30/08	 <u>\$ 22,154</u>	 <u>\$ (20,616)</u>	 <u>\$ (10,550)</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
Cash Reconciliations - All Funds  
For the Year Ended June 30, 2008

---

	Combined Grants 29000	Bond Building 31100	PSCOC 31200
Net Cash in Bank 6/30/07	\$ 3,073	\$ 494,840	\$ (476)
Add: 2007-08			
Revenues	8,500	21,989	0
Transfers	0	0	0
Interfund Balance	0	0	0
TOTAL Cash Available	<u>11,573</u>	<u>516,829</u>	<u>(476)</u>
Less: 2007-08			
Expenditures	0	0	0
Transfers	0	0	0
Loan to Other Funds	0	0	0
Returned to PED	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL Cash 6/30/08	<u>\$ 11,573</u>	<u>\$ 516,829</u>	<u>\$ (476)</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
Cash Reconciliations - All Funds  
For the Year Ended June 30, 2008

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	Special Capital Outlay-State 31400	Senate Bill Nine 31700	Public School Capital Outlay-20%
Net Cash in Bank 6/30/07	\$ (39,977)	\$ 286,597	\$ 18,239
Add: 2007-08			
Revenues	40,000	177,303	0
Transfers	0	0	0
Interfund Balance	0	0	-0
TOTAL Cash Available	<u>23</u>	<u>463,900</u>	<u>18,239</u>
Less: 2007-08			
Expenditures	0	213,101	0
Transfers	0	0	0
Loan to Other Funds	0	0	0
Returned to PED	0	0	0
	<u>0</u>	<u>213,101</u>	<u>0</u>
TOTAL Cash 6/30/08	<u>\$ 23</u>	<u>\$ 250,799</u>	<u>\$ 18,239</u>

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

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
Cash Reconciliations - All Funds  
For the Year Ended June 30, 2008

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	<u>Debt Service</u>	<u>Ed Tech Debt Service</u>	<u>Totals</u>
Net Cash in Bank 6/30/07	\$ 364,654	\$ 10,962	\$ 1,968,487
Add: 2007-08			
Revenues	353,487	1,666	10,709,003
Transfers	0	0	0
Interfund Balance	0	0	0
TOTAL Cash Available	<u>718,141</u>	<u>12,628</u>	<u>12,677,490</u>
Less: 2007-08			
Expenditures	364,663	17	10,603,977
Transfers	0	0	0
Loan to Other Funds	0	0	0
Returned to PED	0	0	0
	<u>364,663</u>	<u>17</u>	<u>10,603,977</u>
 TOTAL Cash 6/30/08	 <u>\$ 353,478</u>	 <u>\$ 12,611</u>	 <u>\$ 2,073,513</u>

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, 2008

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	\$ 299,335
Total USDA National School Lunch Program			<u>299,335</u>
Pass-through State Department of Human Services: USDA Commodities Program	10.55	21000	(1) <u>21,355</u>
Direct Program Forest Reserve	10.67	11000	<u>7,955</u>
Total U. S. Department of Agriculture			\$ <u>328,645</u>
<u>U. S. Department of Education</u>			
PASS-THROUGH PROGRAM FROM: New Mexico Department of Education			
Title I	84.010	24101	181,988
Carl Perkins	84.048		16,637
Title V	84.298	24150	8,725
Title III	84.365	24153	36,401
Title II	84.367	24154	46,949
Title IV-A	84.186	24157	4,248
Pass-through State Public Education Department: Northeast Regional REC			
Special Education Cluster IDEA, Part B Entitlement	84.027	24106	113,129
IDEA, Part B Discretionary	84.027	24107	5,859
Direct Program PL 81-874 Impact Aid	84.041	25145	75
GEAR UP USDE	84.334A	25211	<u>3,600</u>
Total U. S. Department of Education			\$ <u>417,611</u>
<u>US Department of Health &amp; Human Services</u>			
PASS-THROUGH PROGRAM FROM: New Mexico Department of Health			
Title XIX Medicaid	93.778	25153	\$ <u>85,119</u>
Total Department of Health & Human Services			<u>85,119</u>
Total Federal Assistance			\$ <u><u>831,375</u></u>

(1) Non-cash assistance

See accompanying notes to the Schedule of Expenditures of Federal Awards

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
Notes to the Schedule of Expenditures of Federal Awards  
June 30, 2008

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**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.

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(505) 253-4313

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, 2008, and have issued our report thereon dated November 15, 2008. 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 15, 2008

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(505) 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, 2008. 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, 2008.

### 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 15, 2008

STATE OF NEW MEXICO  
**PECOS INDEPENDENT SCHOOL DISTRICT**  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2008

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**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 Responses  
For the Year Ended June 30, 2008

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**Prior Year Audit Findings**

**07-01 Late Audit Report-Compliance**

**Status**  
Resolved

**Current Year Audit Findings**

There are 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 14, 2008. Those present were Paul C De Baca, President, Roy Herrera, Superintendent, Beth Ortiz, Payroll Clerk and Melissa Valencia, Administrative Secretary, and De'Aun Willoughby, CPA.