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STATE OF NEW MEXICO  
SAN JON Municipal School  
June 30, 2010

Financial Statements and Supplementary Information  
As Of And For The Year Ended June 30, 2010  
With Independent Auditor's Report Thereon

*Sandra Rush*  
*Certified Public Accountant, PC*

*1101 E Llano Estacado*  
*Clovis, New Mexico 88101*

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Official Roster  
For the year ended June 30, 2010

Board of Education

|                 |                |
|-----------------|----------------|
| Tim Foster      | President      |
| Franklin Gibson | Vice-President |
| Dale Bone       | Secretary      |
| Tommy Evans     | Member         |
| Cynthia Lee     | Member         |

School Officials

|                 |                  |
|-----------------|------------------|
| Gary Salazar    | Superintendent   |
| Lucy Heddlesten | Business Manager |

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

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## Independent Auditor's Report

Mr. Hector H. Balderas  
State Auditor of the State of New Mexico  
Board Members of San Jon Municipal School District

Mr. Balderas and Members of the Board

I have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the General Fund and Special Revenue Funds of the San Jon Municipal School District (District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. I also have audited the financial statements of each of the District's nonmajor governmental, and budgetary comparisons for the major Capital Project Funds, Debt Service Funds, and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the District's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, I express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2010, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2010, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.



In accordance with *Government Auditing Standards*, I have also issued my report dated October 21, 2010 on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

For the year ended June 30, 2010 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 part of the basic financial statements.

My audit was conducted for the purpose of forming opinions on the basic financial statements, and the combining and individual fund financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Sandra Rush, CPA PC  
October 21, 2010

## Basic Financial Statements

## Government-Wide Financial Statements

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Statement of Net Assets  
 June 30, 2010

|  | <u>Governmental<br/>Activities</u> |
|--|------------------------------------|
| <b><u>ASSETS</u></b>                                       |                                    |
| Current assets:  |                                    |
| Cash and cash equivalents                                  | \$ 666,237                         |
| Inventory  | 5,059                              |
| Taxes receivable current                                   | 2,337                              |
| Taxes receivable delinquent                                | 6,344                              |
| Other accounts receivable                                  | 6,825                              |
| Due from other governments                                 | <u>24,370</u>                      |
| Total current assets                                       | <u>711,172</u>                     |
| Noncurrent assets:   |                                    |
| Capital assets   |                                    |
| Bond issue costs (net of accumulated amortization \$9,712) | 38,852                             |
| Capital assets   | 9,696,899                          |
| Less: accumulated depreciation                             | <u>(3,093,102)</u>                 |
| Total non current assets                                   | <u>6,642,649</u>                   |
| Total assets   | <u>\$ 7,353,821</u>                |
| <b><u>LIABILITIES AND NET ASSETS</u></b>                   |                                    |
| Current liabilities:                                       |                                    |
| Accounts payable   | \$ 72,613                          |
| Current portion of long term debt                          | <u>60,000</u>                      |
| Total current liabilities                                  | <u>132,613</u>                     |
| Noncurrent liabilities:                                    |                                    |
| Bonds and notes  | <u>490,000</u>                     |
| Total noncurrent liabilities                               | <u>490,000</u>                     |
| Total liabilities  | <u>622,613</u>                     |
| <b><u>NET ASSETS</u></b>                                   |                                    |
| Invested in capital assets, net of related debt            | 6,053,797                          |
| Unrestricted   | <u>677,411</u>                     |
| Total net assets   | <u>6,731,208</u>                   |
| Total liabilities and net assets                           | <u>\$ 7,353,821</u>                |

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

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Statement of Activities  
 For the year ended June 30, 2010

|                                  | <u>Expenses</u>     | <u>Program Revenues</u>     |   |   |
|----------------------------------|---------------------|-----------------------------|---|---|
|                                  |                     | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| <u>Functions / Programs</u>      |                     |                             |   |   |
| Governmental activities          |                     |                             |   |   |
| Instruction                      | \$ 1,287,187        | \$ -                        | \$ 443,921                                | \$ -                                    |
| Support services:                |                     |                             |   |   |
| Students                         | 208,136             | 10,317                      | 6,255                                     |   |
| Instruction                      | 42,541              | -                           |   |   |
| General administration           | 213,986             | -                           |   |   |
| School administration            | 66,742              | -                           | 54,385                                    |   |
| Central services                 | 74,566              | -                           |   |   |
| Operation & maintenance of plant | 418,415             | 10,350                      |   |   |
| Student transportation           | 166,011             | -                           | 166,487                                   |   |
| Food services                    | 110,232             | 23,345                      | 39,498                                    |   |
| Capital outlay                   | -                   | -                           | -   | 59,409                                  |
| Depreciation uncatorlized        | 47,445              |                             |   |   |
| Amortization                     | 4,856               |                             |   |   |
| Interest on long term debt       | 29,820              | -                           | -   |   |
|                                  | <u>\$ 2,669,937</u> | <u>\$ 44,012</u>            | <u>\$ 710,546</u>                         | <u>\$ 59,409</u>                        |
|                                  |                     |                             | General revenues:                         |   |
|                                  |                     |                             | Taxes:                                    |   |
|                                  |                     |                             | General purposes                          |   |
|                                  |                     |                             | Debt service                              |   |
|                                  |                     |                             | Capital projects                          |   |
|                                  |                     |                             | State equalization guarantee              |   |
|                                  |                     |                             | Miscellaneous income:                     |   |
|                                  |                     |                             | Royalties                                 |   |
|                                  |                     |                             | Recoveries                                |   |
|                                  |                     |                             | Caprock Wind                              |   |
|                                  |                     |                             | Interest                                  |   |
|                                  |                     |                             | Total general revenues                    |   |
|                                  |                     |                             | Change in net assets                      |   |
|                                  |                     |                             | Net assets, beginning                     |   |
|                                  |                     |                             | Prior period adjustment                   |   |
|                                  |                     |                             | Net assets, beginning restated            |   |
|                                  |                     |                             | Net assets, ending                        |   |

The accompanying notes are an integral part of these financial statements

Net Program  
 [Expense]  
 Revenues  
 Governmental  
 Activities  
Total

\$ (843,266)

(191,564)

(42,541)

(213,986)

(12,357)

(74,566)

(408,065)

476

(47,389)

59,409

(47,445)

(4,856)

(29,820)

(1,855,970)

4,897

99,832

21,063

1,542,044

1,414

6,825

86,355

2,727

1,765,157

(90,813)

6,827,759

(5,738)

6,822,021

\$ 6,731,208

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Balance Sheet  
 Governmental Funds  
 June 30, 2010

|                                     | General Fund         |                      |                         |                                     |
|-------------------------------------|----------------------|----------------------|-------------------------|-------------------------------------|
|                                     | Operational<br>11000 | Teachergage<br>12000 | Transportation<br>13000 | Instructional<br>Materials<br>14000 |
| <b>ASSETS</b>                       |                      |                      |                         |                                     |
| Cash and cash equivalents           | \$ 130,119           | \$ 14,563            | \$ 8,971                | \$ 2,672                            |
| Inventory                           | -                    | -                    | -                       | -                                   |
| Accounts receivable:                |                      |                      |                         |                                     |
| Taxes current                       | 90                   | -                    | -                       | -                                   |
| Taxes delinquent                    | 256                  | -                    | -                       | -                                   |
| Other accounts receivable           | 6,825                | -                    | -                       | -                                   |
| Due from other governments          | -                    | -                    | -                       | -                                   |
| Total assets                        | <u>\$ 137,290</u>    | <u>\$ 14,563</u>     | <u>\$ 8,971</u>         | <u>\$ 2,672</u>                     |
| <b>LIABILITIES</b>                  |                      |                      |                         |                                     |
| Accounts payable                    | 8,457                | 924                  | -                       | -                                   |
| Deferred revenue                    | 256                  | -                    | -                       | -                                   |
| Total liabilities                   | <u>8,713</u>         | <u>924</u>           | <u>-</u>                | <u>-</u>                            |
| <b>FUND BALANCE</b>                 |                      |                      |                         |                                     |
| Non-spendable                       | -                    | -                    | -                       | -                                   |
| Restricted for:                     |                      |                      |                         |                                     |
| General Fund                        | -                    | -                    | -                       | -                                   |
| Special Revenue Funds               | -                    | -                    | -                       | -                                   |
| Capital Projects                    | -                    | -                    | -                       | -                                   |
| Debt Service                        | -                    | -                    | -                       | -                                   |
| Unassigned for:                     |                      |                      |                         |                                     |
| General Fund                        | <u>128,577</u>       | <u>13,639</u>        | <u>8,971</u>            | <u>2,672</u>                        |
| Total fund balance                  | <u>128,577</u>       | <u>13,639</u>        | <u>8,971</u>            | <u>2,672</u>                        |
| Total liabilities and fund balances | <u>\$ 137,290</u>    | <u>\$ 14,563</u>     | <u>\$ 8,971</u>         | <u>\$ 2,672</u>                     |

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

| Caprock Wind<br>29109 | Bond Building<br>Capital Outlay<br>31100 | Debt<br>Service<br>41000 | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|-----------------------|--|--------------------------|--------------------------------|--------------------------------|
| \$ 135,047            | \$ 250,115                               | \$ 52,826                | \$ 71,924                      | \$ 666,237                     |
| -                     | -  | -                        | 5,059                          | 5,059                          |
| -                     | -  | 1,855                    | 392                            | 2,337                          |
| -                     | -  | 5,009                    | 1,079                          | 6,344                          |
| -                     | -  | -                        | -                              | 6,825                          |
| -                     | -  | -                        | 24,370                         | 24,370                         |
| <u>\$ 135,047</u>     | <u>\$ 250,115</u>                        | <u>\$ 59,690</u>         | <u>\$ 102,824</u>              | <u>\$ 711,172</u>              |
| -                     | 61,316                                   | 18                       | 1,898                          | 72,613                         |
| -                     | -  | 5,009                    | 25,657                         | 30,922                         |
| -                     | 61,316                                   | 5,027                    | 27,555                         | 103,535                        |
| -                     | -  | -                        | 5,059                          | 5,059                          |
| -                     | -  | -                        | -                              | -                              |
| -                     | -  | -                        | 71,716                         | 71,716                         |
| -                     | 188,799                                  | -                        | (1,506)                        | 187,293                        |
| -                     | -  | 54,663                   | -                              | 54,663                         |
| <u>135,047</u>        | <u>-</u>                                 | <u>-</u>                 | <u>-</u>                       | <u>288,906</u>                 |
| <u>135,047</u>        | <u>188,799</u>                           | <u>54,663</u>            | <u>75,269</u>                  | <u>607,637</u>                 |
| <u>\$ 135,047</u>     | <u>\$ 250,115</u>                        | <u>\$ 59,690</u>         | <u>\$ 102,824</u>              | <u>\$ 711,172</u>              |



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STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Governmental Funds  
 Reconciliation of the Balance Sheet to the Statement of Net Assets  
 June 30, 2010

Reconciliation of Total Fund Balance from Balance Sheet Governmental Funds  
 to the Total Net Assets on the Statement of Net Assets

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

|  |                    |                     |
|--|--------------------|---------------------|
| Fund balances - total governmental funds   |                    | \$ 607,637          |
| Deferred Revenue in the fund financial statements because<br>grant funds not received during the period of availability                      |                    | 30,922              |
| Capital assets used in governmental activities are not financial<br>resources and therefore, are not reported in the funds                   |                    |                     |
| Capital assets   | \$ 9,696,899       |                     |
| Accumulated depreciation   | <u>(3,093,102)</u> |                     |
|  |                    | 6,603,797           |
| Bond issue costs   | 48,564             |                     |
| Amortization of bond issue cost  | <u>(9,712)</u>     |                     |
|  |                    | 38,852              |
| Long-term liabilities, including bonds payable, are not due and payable<br>in the current period and therefore are not reported in the funds |                    | <u>(550,000)</u>    |
| Net assets of governmental activities  |                    | <u>\$ 6,731,208</u> |

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
For the year ended June 30, 2010

|  | Operational<br>11000 | General Fund        |                         | Materials<br>14000 |
|--|----------------------|---------------------|-------------------------|--------------------|
|  |                      | Teacherage<br>12000 | Transportation<br>13000 |                    |
| Revenues:  |                      |                     |                         |                    |
| Local and county sources                             | \$ 13,336            | \$ 10,350           | \$ -                    | \$ -               |
| State sources  | 1,542,044            | -                   | 166,487                 | 6,255              |
| Federal sources                                      | 2,706                | -                   | -                       | -                  |
| Interest   | 904                  | -                   | -                       | -                  |
| <b>Total revenues</b>                                | <b>1,558,990</b>     | <b>10,350</b>       | <b>166,487</b>          | <b>6,255</b>       |
| Expenditures:  |                      |                     |                         |                    |
| Current operating:                                   |                      |                     |                         |                    |
| Instruction  | 831,949              | -                   | -                       | 5,945              |
| Support services                                     |                      |                     |                         |                    |
| Students   | 75,693               | -                   | -                       | -                  |
| Instruction  | 34,232               | -                   | -                       | -                  |
| General administration                               | 203,115              | -                   | -                       | -                  |
| School administration                                | 66,742               | -                   | -                       | -                  |
| Central services                                     | 74,566               | -                   | -                       | -                  |
| Operation & maintenance of plant                     | 301,107              | 12,317              | -                       | -                  |
| Student transportation                               | -                    | -                   | 165,257                 | -                  |
| Other support services                               | -                    | -                   | -                       | -                  |
| Operation of non-instructional services              |                      |                     |                         |                    |
| Food services operations                             | 29,747               | -                   | -                       | -                  |
| Capital outlay                                       | -                    | -                   | 1,230                   | -                  |
| Debt Service:  |                      |                     |                         |                    |
| Principal payment                                    | -                    | -                   | -                       | -                  |
| Interest payment                                     | -                    | -                   | -                       | -                  |
| <b>Total expenditures</b>                            | <b>1,617,151</b>     | <b>12,317</b>       | <b>166,487</b>          | <b>5,945</b>       |
| Excess (deficiency) of revenues<br>over expenditures | (58,161)             | (1,967)             | -                       | 310                |
| Other financing sources (uses):                      |                      |                     |                         |                    |
| Operating transfer                                   | (10,175)             | -                   | -                       | -                  |
| <b>Total other financing sources (uses)</b>          | <b>(10,175)</b>      | <b>-</b>            | <b>-</b>                | <b>-</b>           |
| Net change in fund balances                          | (68,336)             | (1,967)             | -                       | 310                |
| Fund balance, beginning of year                      | 196,913              | 15,606              | 8,971                   | 2,362              |
| Restatements   | -                    | -                   | -                       | -                  |
| <b>Fund balance restated</b>                         | <b>196,913</b>       | <b>15,606</b>       | <b>8,971</b>            | <b>2,362</b>       |
| <b>Fund balance, end of year</b>                     | <b>\$ 128,577</b>    | <b>\$ 13,639</b>    | <b>\$ 8,971</b>         | <b>\$ 2,672</b>    |

The accompanying notes are an integral part of these financial statements

| Caprock Wind<br>29109 | Bond Building<br>Capital Outlay<br>31100 | Debt<br>Service<br>41000 | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|-----------------------|--|--------------------------|--------------------------------|--------------------------------|
| \$ 86,355             | \$ -                                     | \$ 99,832                | \$ 54,525                      | \$ 264,398                     |
| -                     | -  | -                        | 155,999                        | 1,870,785                      |
| -                     | 1,823                                    | -                        | 434,619                        | 437,325                        |
|                       |  |                          | -                              | 2,727                          |
| <u>86,355</u>         | <u>1,823</u>                             | <u>99,832</u>            | <u>645,143</u>                 | <u>2,575,235</u>               |
| 4,250                 | -  | -                        | 316,371                        | 1,158,515                      |
| -                     | -  | -                        | 132,443                        | 208,136                        |
| -                     | -  | -                        | 1,831                          | 36,063                         |
| -                     | -  | 1,006                    | 2,880                          | 207,001                        |
| -                     | -  | -                        | -                              | 66,742                         |
| -                     | -  | -                        | -                              | 74,566                         |
| -                     | -  | -                        | 82,431                         | 395,855                        |
| -                     | -  | -                        | -                              | 165,257                        |
| -                     | -  | -                        | -                              | -                              |
| -                     | -  | -                        | 59,045                         | 88,792                         |
| 35,270                | 264,682                                  | -                        | 183,064                        | 484,246                        |
| -                     | -  | 60,000                   | -                              | 60,000                         |
| -                     | -  | 29,820                   | -                              | 29,820                         |
| <u>39,520</u>         | <u>264,682</u>                           | <u>90,826</u>            | <u>778,065</u>                 | <u>2,974,993</u>               |
| 46,835                | (262,859)                                | 9,006                    | (132,922)                      | (399,758)                      |
| -                     | -  | -                        | 10,175                         | -                              |
| -                     | -  | -                        | 10,175                         | -                              |
| 46,835                | (262,859)                                | 9,006                    | (122,747)                      | (399,758)                      |
| 88,212                | 451,658                                  | 45,657                   | 203,754                        | 1,013,133                      |
| -                     | -  | -                        | (5,738)                        | (5,738)                        |
| <u>88,212</u>         | <u>451,658</u>                           | <u>45,657</u>            | <u>198,016</u>                 | <u>1,007,395</u>               |
| <u>\$ 135,047</u>     | <u>\$ 188,799</u>                        | <u>\$ 54,663</u>         | <u>\$ 75,269</u>               | <u>\$ 607,637</u>              |

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Reconciliation of the Statement of Revenues, Expenditures, and  
 Changes in Fund Balances of Governmental Funds to the  
 Statement of Activities  
 For the year ended June 30, 2010

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

|  |                  |                    |
|--|------------------|--------------------|
| Net change in fund balances - total governmental funds   |                  | \$ (399,758)       |
| Increase in deferred revenue from grant revenues not received<br>within the period of availability   |                  | 3,889              |
| Capital outlays to purchase or build capital assets are reported in<br>governmental funds as expenditures. However, for governmental<br>activities those costs are shown in the statement of net assets and<br>allocated over their estimated useful lives as annual depreciation<br>expenses in the statement of activities. This is the amount by which<br>depreciation exceeds capital outlays in the period. |                  |                    |
| Capital outlays  | \$ 484,246       |                    |
| Depreciation expense   | <u>(234,334)</u> | 249,912            |
| Repayment of bond principal is an expenditure in the governmental<br>funds, but the repayment reduces long-term liabilities in the Statement<br>of Net Assets.   |                  | 60,000             |
| Amortization of bond issue cost  |                  | <u>(4,856)</u>     |
| Change in Net Assets of Governmental Activities  |                  | <u>\$ (90,813)</u> |

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
General Fund - Operational - 11000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |                  | Actual             | Variance         |
|--|------------------|------------------|--------------------|------------------|
|  | Original         | Final            |                    |                  |
| Revenue:   |                  |                  |                    |                  |
| Local and county sources   | \$ 6,787         | \$ 6,787         | \$ 21,267          | \$ 14,480        |
| State sources  | 1,548,418        | 1,542,154        | 1,542,044          | (110)            |
| Federal sources  | 6,500            | 6,500            | 2,706              | (3,794)          |
| Interest   | 1,000            | 1,000            | 904                | (96)             |
| <b>Total revenues</b>  | <b>1,562,705</b> | <b>1,556,441</b> | <b>1,566,921</b>   | <b>10,480</b>    |
| Expenditures:  |                  |                  |                    |                  |
| Current operating:   |                  |                  |                    |                  |
| Instruction  | 905,253          | 905,342          | 831,926            | 73,416           |
| Support services:  |                  |                  |                    |                  |
| Students   | 78,008           | 78,008           | 75,693             | 2,315            |
| Instruction  | 81,368           | 81,457           | 34,232             | 47,225           |
| General administration   | 215,055          | 215,055          | 201,909            | 13,146           |
| School administration  | 67,192           | 67,192           | 66,742             | 450              |
| Central services   | 77,673           | 77,673           | 74,566             | 3,107            |
| Operation & maintenance of plant                                   | 370,496          | 364,321          | 299,785            | 64,536           |
| Student transportation   | -                | -                | -                  | -                |
| Other support services   | 407              | 407              | -                  | 407              |
| Operation of non-instructional services                            |                  |                  |                    |                  |
| Food services operations   | 76,180           | 76,269           | 29,747             | 46,522           |
| Capital outlay   | -                | -                | -                  | -                |
| Debt service:  |                  |                  |                    |                  |
| Principal  | -                | -                | -                  | -                |
| Interest   | -                | -                | -                  | -                |
| <b>Total expenditures</b>  | <b>1,871,632</b> | <b>1,865,724</b> | <b>1,614,600</b>   | <b>251,124</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (308,927)        | (309,283)        | (47,679)           | 261,604          |
| Other financing sources (uses):                                    |                  |                  |                    |                  |
| Operating transfers  | -                | -                | (10,175)           | (10,175)         |
| Designated cash  | 308,927          | 309,283          | -                  | (309,283)        |
| <b>Total other financing sources (uses)</b>                        | <b>308,927</b>   | <b>309,283</b>   | <b>(10,175)</b>    | <b>(319,458)</b> |
| Net change in fund balances  | -                | -                | (57,854)           | (57,854)         |
| Cash balance, beginning of year                                    | -                | -                | 187,973            | 187,973          |
| Prior period voided check  | -                | -                | -                  | -                |
| Cash balance, beginning of year restated                           | -                | -                | 187,973            | 187,973          |
| Cash balance, end of year  | \$ -             | \$ -             | \$ 130,119         | \$ 130,119       |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |                  | \$ (57,854)        |                  |
| Adjustment to revenues for accruals & other deferrals              |                  |                  | (7,931)            |                  |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |                  | (2,551)            |                  |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |                  | <b>\$ (68,336)</b> |                  |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
General Fund - Teacherage - 12000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |               | Actual            | Variance        |
|--|------------------|---------------|-------------------|-----------------|
|  | Original         | Final         |                   |                 |
| Revenue:   |                  |               |                   |                 |
| Local and county sources   | \$ 10,800        | \$ 10,800     | \$ 10,350         | \$ (450)        |
| State sources  | -                | -             | -                 | -               |
| Federal sources  | -                | -             | -                 | -               |
| Interest   | -                | -             | -                 | -               |
| <b>Total revenues</b>  | <b>10,800</b>    | <b>10,800</b> | <b>10,350</b>     | <b>(450)</b>    |
| Expenditures:  |                  |               |                   |                 |
| Current operating:   |                  |               |                   |                 |
| Instruction  | -                | -             | -                 | -               |
| Support services:  |                  |               |                   |                 |
| Students   | -                | -             | -                 | -               |
| Instruction  | -                | -             | -                 | -               |
| General administration   | -                | -             | -                 | -               |
| School administration  | -                | -             | -                 | -               |
| Central services   | -                | -             | -                 | -               |
| Operation & maintenance of plant                                   | 27,470           | 27,470        | 11,865            | 15,605          |
| Student transportation   | -                | -             | -                 | -               |
| Other support services   | -                | -             | -                 | -               |
| Operation of non-instructional services                            |                  |               |                   |                 |
| Food services operations   | -                | -             | -                 | -               |
| Capital outlay   | -                | -             | -                 | -               |
| Debt service:  |                  |               |                   |                 |
| Principal  | -                | -             | -                 | -               |
| Interest   | -                | -             | -                 | -               |
| <b>Total expenditures</b>  | <b>27,470</b>    | <b>27,470</b> | <b>11,865</b>     | <b>15,605</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (16,670)         | (16,670)      | (1,515)           | 15,155          |
| Other financing sources (uses):                                    |                  |               |                   |                 |
| Operating transfers  | -                | -             | -                 | -               |
| Designated cash  | 16,670           | 16,670        | -                 | (16,670)        |
| <b>Total other financing sources (uses)</b>                        | <b>16,670</b>    | <b>16,670</b> | <b>-</b>          | <b>(16,670)</b> |
| Net change in fund balances  | -                | -             | (1,515)           | (1,515)         |
| Cash balance, beginning of year                                    | -                | -             | 16,078            | 16,078          |
| Prior period voided check  | -                | -             | -                 | -               |
| Cash balance, beginning of year restated                           | -                | -             | 16,078            | 16,078          |
| Cash balance, end of year  | \$ -             | \$ -          | \$ 14,563         | \$ 14,563       |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |               | \$ (1,515)        |                 |
| Adjustment to revenues for accruals & other deferrals              |                  |               | -                 |                 |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |               | (452)             |                 |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |               | <b>\$ (1,967)</b> |                 |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
General Fund - Transportation - 13000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |                | Actual          | Variance        |
|--|------------------|----------------|-----------------|-----------------|
|  | Original         | Final          |                 |                 |
| Revenue:   |                  |                |                 |                 |
| Local and county sources   | \$ -             | \$ -           | \$ -            | \$ -            |
| State sources  | 178,092          | 166,487        | 166,487         | -               |
| Federal sources  | -                | -              | -               | -               |
| Interest   | -                | -              | -               | -               |
| <b>Total revenues</b>  | <b>178,092</b>   | <b>166,487</b> | <b>166,487</b>  | <b>-</b>        |
| Expenditures:  |                  |                |                 |                 |
| Current operating:   |                  |                |                 |                 |
| Instruction  | -                | -              | -               | -               |
| Support services:  |                  |                |                 |                 |
| Students   | -                | -              | -               | -               |
| Instruction  | -                | -              | -               | -               |
| General administration   | -                | -              | -               | -               |
| School administration  | -                | -              | -               | -               |
| Central services   | -                | -              | -               | -               |
| Operation & maintenance of plant                                   | -                | -              | -               | -               |
| Student transportation   | 178,092          | 166,487        | 165,257         | 1,230           |
| Other support services   | -                | -              | -               | -               |
| Operation of non-instructional services                            |                  |                |                 |                 |
| Food services operations   | -                | -              | -               | -               |
| Capital outlay   | -                | -              | 1,230           | (1,230)         |
| Debt service:  |                  |                |                 |                 |
| Principal  | -                | -              | -               | -               |
| Interest   | -                | -              | -               | -               |
| <b>Total expenditures</b>  | <b>178,092</b>   | <b>166,487</b> | <b>166,487</b>  | <b>-</b>        |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -              | -               | -               |
| Other financing sources (uses):                                    |                  |                |                 |                 |
| Operating transfers  | -                | -              | -               | -               |
| Designated cash  | -                | -              | -               | -               |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>       | <b>-</b>        | <b>-</b>        |
| Net change in fund balances  | -                | -              | -               | -               |
| Cash balance, beginning of year                                    | -                | -              | 8,971           | 8,971           |
| Prior period voided check  | -                | -              | -               | -               |
| Cash balance, beginning of year restated                           | -                | -              | 8,971           | 8,971           |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>    | <u>\$ 8,971</u> | <u>\$ 8,971</u> |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |                | \$ -            |                 |
| Adjustment to revenues for accruals & other deferrals              |                  |                | -               |                 |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |                | -               |                 |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |                | <u>\$ -</u>     |                 |

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



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
General Fund - Instructional Materials - 14000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |              | Actual        | Variance       |
|--|------------------|--------------|---------------|----------------|
|  | Original         | Final        |               |                |
| Revenue:   |                  |              |               |                |
| Local and county sources   | \$ -             | \$ -         | \$ -          | \$ -           |
| State sources  | 6,335            | 6,961        | 6,255         | (706)          |
| Federal sources  | -                | -            | -             | -              |
| Interest   | -                | -            | -             | -              |
| <b>Total revenues</b>  | <b>6,335</b>     | <b>6,961</b> | <b>6,255</b>  | <b>(706)</b>   |
| Expenditures:  |                  |              |               |                |
| Current operating:   |                  |              |               |                |
| Instruction  | 6,870            | 7,496        | 5,945         | 1,551          |
| Support services:  |                  |              |               |                |
| Students   | -                | -            | -             | -              |
| Instruction  | 1,065            | 1,065        | -             | 1,065          |
| General administration   | -                | -            | -             | -              |
| School administration  | -                | -            | -             | -              |
| Central services   | -                | -            | -             | -              |
| Operation & maintenance of plant                                   | -                | -            | -             | -              |
| Student transportation   | -                | -            | -             | -              |
| Other support services   | -                | -            | -             | -              |
| Operation of non-instructional services                            |                  |              |               |                |
| Food services operations   | -                | -            | -             | -              |
| Capital outlay   | -                | -            | -             | -              |
| Debt service:  |                  |              |               |                |
| Principal  | -                | -            | -             | -              |
| Interest   | -                | -            | -             | -              |
| <b>Total expenditures</b>  | <b>7,935</b>     | <b>8,561</b> | <b>5,945</b>  | <b>2,616</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (1,600)          | (1,600)      | 310           | 1,910          |
| Other financing sources (uses):                                    |                  |              |               |                |
| Operating transfers  | -                | -            | -             | -              |
| Designated cash  | 1,600            | 1,600        | -             | (1,600)        |
| <b>Total other financing sources (uses)</b>                        | <b>1,600</b>     | <b>1,600</b> | <b>-</b>      | <b>(1,600)</b> |
| Net change in fund balances  | -                | -            | 310           | 310            |
| Cash balance, beginning of year                                    | -                | -            | 2,362         | 2,362          |
| Prior period voided check  | -                | -            | -             | -              |
| Cash balance, beginning of year restated                           | -                | -            | 2,362         | 2,362          |
| Cash balance, end of year  | \$ -             | \$ -         | \$ 2,672      | \$ 2,672       |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |              | \$ 310        |                |
| Adjustment to revenues for accruals & other deferrals              |                  |              | -             |                |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |              | -             |                |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |              | <b>\$ 310</b> |                |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Major Special Revenue Fund - Caprock Wind - 29109  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |                | Actual           | Variance        |
|--|------------------|----------------|------------------|-----------------|
|  | Original         | Final          |                  |                 |
| Revenue:   |                  |                |                  |                 |
| Local and county sources   | \$ 86,430        | \$ 86,430      | \$ 86,355        | \$ (75)         |
| State sources  | -                | -              | -                | -               |
| Federal sources  | -                | -              | -                | -               |
| Interest   | -                | -              | -                | -               |
| <b>Total revenues</b>  | <b>86,430</b>    | <b>86,430</b>  | <b>86,355</b>    | <b>(75)</b>     |
| Expenditures:  |                  |                |                  |                 |
| Current operating:   |                  |                |                  |                 |
| Instruction  | 69,643           | 69,643         | 4,250            | 65,393          |
| Support services:  |                  |                |                  |                 |
| Students   | -                | -              | -                | -               |
| Instruction  | -                | -              | -                | -               |
| General administration   | -                | -              | -                | -               |
| School administration  | -                | -              | -                | -               |
| Central services   | -                | -              | -                | -               |
| Operation & maintenance of plant                                   | -                | -              | -                | -               |
| Student transportation   | -                | -              | -                | -               |
| Other support services   | -                | -              | -                | -               |
| Operation of non-instructional services                            |                  |                |                  |                 |
| Food services operations   | -                | -              | -                | -               |
| Capital outlay   | 105,000          | 105,000        | 35,270           | 69,730          |
| Debt service:  |                  |                |                  |                 |
| Principal  | -                | -              | -                | -               |
| Interest   | -                | -              | -                | -               |
| <b>Total expenditures</b>  | <b>174,643</b>   | <b>174,643</b> | <b>39,520</b>    | <b>135,123</b>  |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (88,213)         | (88,213)       | 46,835           | 135,048         |
| Other financing sources (uses):                                    |                  |                |                  |                 |
| Operating transfers  | -                | -              | -                | -               |
| Designated cash  | 88,213           | 88,213         | -                | (88,213)        |
| <b>Total other financing sources (uses)</b>                        | <b>88,213</b>    | <b>88,213</b>  | <b>-</b>         | <b>(88,213)</b> |
| Net change in fund balances  | -                | -              | 46,835           | 46,835          |
| Cash balance, beginning of year                                    | -                | -              | 88,212           | 88,212          |
| Prior period voided check  | -                | -              | -                | -               |
| Cash balance, beginning of year restated                           | -                | -              | 88,212           | 88,212          |
| Cash balance, end of year  | \$ -             | \$ -           | \$ 135,047       | \$ 135,047      |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |                | \$ 46,835        |                 |
| Adjustment to revenues for accruals & other deferrals              |                  |                | -                |                 |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |                | -                |                 |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |                | <b>\$ 46,835</b> |                 |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Statement of Fiduciary Assets and Liabilities - Agency Funds

|                             | <u>Agency<br/>Funds</u> |
|-----------------------------|-------------------------|
| <u>ASSETS</u>               |                         |
| Cash and cash equivalents   | \$ 48,871               |
| Total assets                | <u>\$ 48,871</u>        |
| <u>LIABILITIES</u>          |                         |
| Funds handled on behalf of: |                         |
| Deposits held for others    | 48,074                  |
| Accounts payable            | <u>\$ 797</u>           |
| Total liabilities           | <u>\$ 48,871</u>        |

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

## Notes to Financial Statements

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

The financial statements of San Jon Municipal 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. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

The San Jon School Municipal District was established in 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.

All governmental funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

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. Nor are there other primary governments with which the District has a significant relationship.

The accounts of the District are organized and operated of 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 is 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 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 – The 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 Funds are used to account for the resources for, and the payment of, principal, interest and related costs.

Capital Project Funds – The Capital Project Funds are 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.

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

The District reports the following major governmental funds:

General Funds:

Operational (11000)

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

Teacherage (12000)

To account for revenues from the rental of school owned teacher housing. Expenditures from this account are for payment of utilities and maintenance of the rental units.

Transportation (13000)

To account for monies received from the State Department of Education which is used to pay for the costs associated transporting school age children.

Instructional Materials (14000)

To account for the monies received from the State Department of Education for the purpose of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students

Major Special Revenue Funds:

Caprock Wind (29109)

To account for local revenue fund payments received from a private company in lieu of property tax. This fund was created by the state just for San Jon Municipal School District.

Capital Projects Funds:

Bond Building Capital Projects Fund (31100)

The fund is used to account for resource received from the Department of Education state equalization guarantee for use in remodeling and equipping classroom facilities.

Debt Service Funds:

Debt Service (41000)

The revenues are generated by a tax levy based upon property values. The expenditures are for the payment of general long-term debt principal and interest.

Measurement Focus and Basis of Accounting

*Government-Wide Financial Statements (GWFS)*

The Statement of Net Assets and the Statement of Activities displays information the about 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 taxpayer 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 charges to users or applicants who purchase, use or directly benefit from the goods or services provided by the given function.

*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 un-matured 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, therefore are not 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 District Budget Planning Unit (SBPU) of the New Mexico Public Education Department (PED) 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 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 SBPU 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 SBPU and the local school board. The budget shall be integrated formally into 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 SBPU.
5. No school board or officer or employee of the District shall make any expenditure 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 SBPU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and 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 provision of Chapter 6, Article 10, Paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan association 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:

1. 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
2. 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; or
3. in contracts with bank, 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. Interfund activities are reported as loans, services provided reimbursements or transfers. Loans are reports as interfund receivable and payables as appropriate and are subject to elimination upon consolidation. Service provided, deemed to be at market or near market, is treated as revenue and expenditures/expense. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

The District receives monthly income from a tax levy in Quay County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amounts remitted by the County Treasurer in July is considered "measurable and available" and accordingly, is recorded as revenue in the government fund statements during the year ended June 30, 2010. The information required to report property taxes at full accrual was not available during the year.

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

#### Instructional Materials

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

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 1<sup>st</sup>. Tax notices are sent by the County treasurer to property owners by November 1<sup>st</sup> of each year to be paid in whole or in two installments by November 10<sup>th</sup> and April 10<sup>th</sup> of each year. 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 Senate Bill Nine 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.

#### Capital Assets

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

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

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

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

| <u>Assets</u>              | <u>Years</u>  |
|----------------------------|---------------|
| Buildings and Improvements | 20 - 50 Years |
| Vehicles                   | 2 - 15 Years  |
| Equipment                  | 2 - 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.

Deferred Revenue

The District reports deferred revenues on its Statement of Net Assets and Fund Balance Sheet. Deferred revenues arise when the 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

The District does not accrue compensated absences. A terminated employee is paid through the date of dismissal. Due to this practice, there are no compensated absences accrued.

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.

State Equalization Guarantee

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School finance. The District received \$1,542,044 in state equalization guarantee distributions during the year ended June 30, 2010

**Note 2 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>Tucumcari, NM</u> | <u>Tucumcari, NM</u> | <u>Type</u> |
|--|----------------------|----------------------|-------------|
| Total amount on deposit on June 30, 2010 |                      |                      |             |
| San Jon Municipal Schools                | \$ 720,910           | \$ -                 | Checking    |
| San Jon Activity Fund                    | 43,597               | -                    | Checking    |
| Activity CD                              | 5,500                | -                    | Checking    |
| San Jon Athletics                        | -                    | 4,862                | CD          |
| Total deposited                          | <u>770,007</u>       | <u>4,862</u>         |             |
| Less FDIC coverage                       | <u>(250,000)</u>     | <u>(4,862)</u>       |             |
| Total uninsured public funds             | <u>520,007</u>       | <u>-</u>             |             |
| 50% collateral requirement               |                      |                      |             |
| as per Section 6-10-17, NMSA 1978        | <u>260,004</u>       |                      |             |
| Pledged securities                       |                      |                      |             |
| FNMA Note                                | 300,000              |                      |             |
| Over (under)                             | <u>\$ 39,997</u>     | <u>\$</u>            |             |

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Pledged Collateral: FNMA, pledge receipt no. 160060120, CUIISP 31398AC59, maturity date 6/7/2022, market value \$325,777, held at Frost National Bank, San Antonio TX., in the District's name

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, 2010, \$220,007 of the District's bank balance of \$774,869 was exposed to custodial credit risk as follows:

|  |                  |
|--|------------------|
| Uninsured and uncollateralized   | \$220,007        |
| Uninsured and collateral held by pledging bank's trust department not in District's name | <u>0</u>         |
| Total  | <u>\$220,007</u> |

**Note 3. Accounts Receivable**

|                           | General<br>Fund | Debt Service<br>Fund | SB-9<br>Fund    | Governmental<br>Funds | Totals           |
|---------------------------|-----------------|----------------------|-----------------|-----------------------|------------------|
| Property tax receivable   |                 |                      |                 |                       |                  |
| Current                   | \$ 90           | \$ 1,855             | \$ 392          | \$ -                  | \$ 2,337         |
| Delinquent                | 256             | 5,009                | 1,079           | -                     | 6,344            |
| Accounts receivable       | 6,825           | -                    | -               | -                     | 6,825            |
| Due from grantor          |                 |                      |                 |                       |                  |
| Safe and Drug Free        |                 |                      |                 | 1,202                 | 1,202            |
| State Equization Stimulus | <u>-</u>        | <u>-</u>             | <u>-</u>        | <u>23,168</u>         | <u>23,168</u>    |
| Totals                    | <u>\$ 7,171</u> | <u>\$ 6,864</u>      | <u>\$ 1,471</u> | <u>\$ 24,370</u>      | <u>\$ 39,876</u> |

The above receivables are deemed 100% collectible.

**Note 4. 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, 2010:

|              | Deferred<br>Property Tax |
|--------------|--------------------------|
| General Fund | \$ 256                   |
| Debt Service | 5,009                    |
| SB-9         | <u>1,079</u>             |
| Totals       | <u>\$ 6,344</u>          |

**Note 5. Transfers**

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. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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|                              | Interfund<br>Receivable | Interfund<br>Payable | Total     |
|------------------------------|-------------------------|----------------------|-----------|
| Operational                  | \$ 43,846               | \$ -                 | \$ 43,846 |
| IDAB Entitlement             | -                       | -                    | -         |
| Principal Teacher Training   | -                       | (1,202)              | (1,202)   |
| State Equalization Guarantee | -                       | (23,168)             | (23,168)  |
| SB-9                         | -                       | (19,476)             | (19,476)  |
| Totals                       | \$ 43,846               | \$ (43,846)          | \$ -      |

**Note 6. Changes in Capital Assets**

A summary of changes in capital assets follows:

|   | Beginning<br>Balances | Increase   | Adjustments/<br>Decrease | Ending<br>Balances |
|---|-----------------------|------------|--------------------------|--------------------|
| Governmental activities:                    |                       |            |                          |                    |
| Capital assets not being depreciated        |                       |            |                          |                    |
| Land  | \$ 35,998             | \$ -       | \$ -                     | \$ 35,998          |
| Construction in progress                    | (1)                   | 264,682    | 1                        | 264,682            |
| Total assets not being depreciated          | \$ 35,997             | \$ 264,682 | \$ 1                     | \$ 300,680         |
| Capital assets being depreciated            |                       |            |                          |                    |
| Buildings and improvements                  | \$ 8,495,063          | \$ 149,000 | \$ (1)                   | \$ 8,644,062       |
| Vehicles                                    | 361,831               | -          | -                        | 361,831            |
| Equipment                                   | 319,762               | 70,564     | -                        | 390,326            |
| Total assets being depreciated              | 9,176,656             | 219,564    | (1)                      | 9,396,219          |
| Less accumulated depreciation               |                       |            |                          |                    |
| Buildings and improvements                  | (2,500,364)           | (190,717)  | -                        | (2,691,081)        |
| Vehicles                                    | (159,163)             | (17,227)   | -                        | (176,390)          |
| Equipment                                   | (199,241)             | (26,390)   | -                        | (225,631)          |
| Total accumulated depreciation              | (2,858,768)           | (234,334)  | -                        | (3,093,102)        |
| Total capital assets being depreciated, net | 6,317,888             | (14,770)   | (1)                      | 6,303,117          |
| Governmental activity capital assets, net   | \$ 6,353,885          | \$ 249,912 | \$ -                     | \$ 6,603,797       |

Depreciation expense was charged to governmental activities as follows:

|  |                   |
|--|-------------------|
| Instructions                             | \$ 128,672        |
| Support services - instruction           | 6,478             |
| Support service - general administration | 6,985             |
| Operation maintenance of plant           | 22,560            |
| Food service operation                   | 21,440            |
| Transportation                           | 754               |
| Unclassified                             | 47,445            |
|  | <u>\$ 234,334</u> |

**Note 7. Long-Term Debt**

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

|                          | Beginning<br>Balance | Additions | Reductions  | Ending<br>Balance | Amount Due<br>Within<br>One Year |
|--------------------------|----------------------|-----------|-------------|-------------------|----------------------------------|
| Governmental activities  |                      |           |             |                   |                                  |
| Bonds payable            |                      |           |             |                   |                                  |
| General Obligation Bonds | \$ 610,000           | \$ -      | \$ (60,000) | \$ 550,000        | \$ 60,000                        |

Payments on the general obligation bonds are made by the Debt Service Funds.

**General Obligations 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<br>Issue | Original<br>Amount | Interest<br>Rate | Balance           |
|--------|------------------|--------------------|------------------|-------------------|
| 1998   | 3/9/1998         | \$ 540,000         | 4.50% - 6.00%    | \$ 50,000         |
| 2009   | 5/1/2009         | \$ 500,000         | 4.87% - 5.15%    | 500,000           |
|        |                  |                    |                  | <u>\$ 550,000</u> |

The annual requirements to amortize the general obligation bonds as of June 30, 2010, including interest payments are as follows:

| Year Ended June 30, | Principal         | Interest          | Total             |
|---------------------|-------------------|-------------------|-------------------|
| 2011                | \$ 60,000         | \$ 26,985         | \$ 86,985         |
| 2012                | 70,000            | 23,932            | 93,932            |
| 2013                | 50,000            | 20,415            | 70,415            |
| 2014                | 50,000            | 17,977            | 67,977            |
| 2015                | 50,000            | 15,540            | 65,540            |
| 2016-2020           | 270,000           | 37,305            | 307,305           |
|                     | <u>\$ 550,000</u> | <u>\$ 142,154</u> | <u>\$ 692,154</u> |

**Reconciliation of Bond Issue Cost and Accumulated Amortization**

|   |                  |
|---|------------------|
| Issue Cost/Premium/Discount on Bond Issue | 48,564           |
| Accumulated amortization                  | <u>(9,712)</u>   |
|   | <u>\$ 38,852</u> |

**Note 8. ERA Pension Plan**

**Plan Description.** Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits,

and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, NM 87502.

**Funding Policy.** Plan members are required to contribute 7.9% of their gross salary. The District is required to contribute 11.65% of the gross covered salary. The contribution requirements of plan members and the District are established under Chapter 22, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The District's total contributions to ERB for the fiscal years ending June 30, 2010, 2009, and 2008, were \$249,585, \$236,217, and \$204,941, respectively.

#### **Note 9. Post –Employment Benefits**

The Retiree Health Care Act (the "Act") (Chapter 10, Article 7C NMSA, 1978) provides comprehensive core group health insurance for persons who have retired from certain public service in New Mexico. The purpose is to provide eligible retirees, their spouse, dependents, and surviving spouses and dependents with health insurance consisting of a plan, or optional plans, of benefits that can be purchased by funds flowing into Retiree Health Care Fund and by co-payments or out-of-pocket payments to eligible retirees. Monies flow to the Retiree Health Care Fund on pay as-you-go basis from eligible employers and eligible retirees.

Eligible employers are institutions of higher education, school districts, or other entities participating in the Public School Insurance Authority, state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Higher Education Retirement Act (ERA), Public Employees Retirement Association (PERA), Volunteer Firefighters Act, Judicial Retirement Act or the Magistrate Retirement Act. 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 Retiree Health Care Act on the person's behalf unless that person retires before the employer's NMRHCA 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; and former legislators who serve at least two years.

Each participating employer makes contributions to the fund in the amount of 1.3 percent of each participating employee's annual salary. Each participating employee contributes to the fund an amount equal to .65 percent of the employee's salary. Each participating retiree pays a monthly premium for the medical plus basic life plan and an additional participation fee of five dollars (\$5.00) if the eligible participant retired prior to the employer's NMRHCA effective date or is a former legislator. Participants may also enroll in optional plan of coverage.

Contributions from participating employers and participating employees become the property of the Retiree Health Care Fund and are not refundable under any circumstances, including termination of employment or termination of the participating employer's operation or participation in the Retiree Health Care Act. The employer, employee, and retiree contributions are required to be remitted to the Retiree Health Care Authority on a monthly basis.

The Retiree Health Care Authority issues a publicly available audited financial report that includes postemployment benefit expenditures of premium and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the Retiree Health Care Authority, 4308 Carlisle Blvd., NE, Suite 104, Albuquerque, New Mexico 87107.



For the years ended June 30, 2010, 2009 and 2008 were \$15,983, \$15,704, and \$14,234, in employer contributions and \$7,992, \$7,852, \$7,117 in employee contributions respectively.

**Note 10. Risk Management**

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

**Note 11. Non-Cash Assistance**

The District receives USDA Commodities for use in sponsoring National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2010 was \$4,181.

**Note 12. Risk Management**

The District is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, error and omissions, 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). Amounts of settlements have not exceeded insurance coverage for the past three years. The District pays annual premiums to NMPSIA for coverage provided in the following areas:

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

**Note 13. Surety Bond**

A surety bond as required by Section 12-6-7 NMSA 1978 Compilation and the New Mexico State Auditor Rule NMAC 2.2.2 covers the officials and certain employees of the District.

**Note 14. Memorandum of Understanding**

REC

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

Participants: Regional Education Cooperative and San Jon Municipal School District

Responsible Party for Operation and Audit: Regional Education Cooperative

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

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

**NOTE 15. Subsequent Accounting Standard Pronouncements**

In April 2009 the Governmental Standards Board (GASB) issued GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which is effective for financial statements for periods beginning after June 30, 2010. Early implementation is encouraged. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The District is analyzing the effect that this statement will have on its financial statements, and currently believes it will have no significant effect on the financial statements of the upcoming year.

**Note 16. Prior Period Adjustment**

Fund Balance beginning balance for Technology for Education was reduced \$5,738 to reflect a prior year receivable that was not received in the current year.

Supplementary Information  
Related to Major Funds

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Capital Projects Fund - Bond Building - 31100  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |                  | Actual              | Variance         |
|--|------------------|------------------|---------------------|------------------|
|  | Original         | Final            |                     |                  |
| <b>Revenue:</b>  |                  |                  |                     |                  |
| Local and county sources   | \$ -             | \$ -             | \$ -                | \$ -             |
| State sources  | -                | -                | -                   | -                |
| Federal sources  | -                | -                | -                   | -                |
| Interest   | 2,000            | 2,000            | 1,823               | (177)            |
| <b>Total revenues</b>  | <b>2,000</b>     | <b>2,000</b>     | <b>1,823</b>        | <b>(177)</b>     |
| <b>Expenditures:</b>   |                  |                  |                     |                  |
| <b>Current operating:</b>  |                  |                  |                     |                  |
| Instruction  | -                | -                | -                   | -                |
| <b>Support services:</b>   |                  |                  |                     |                  |
| Students   | -                | -                | -                   | -                |
| Instruction  | -                | -                | -                   | -                |
| General administration   | -                | -                | -                   | -                |
| School administration  | -                | -                | -                   | -                |
| Central services   | -                | -                | -                   | -                |
| Operation & maintenance of plant                                   | -                | -                | -                   | -                |
| Student transportation   | -                | -                | -                   | -                |
| Other support services   | -                | -                | -                   | -                |
| <b>Operation of non-instructional services</b>                     |                  |                  |                     |                  |
| Food services operations   | -                | -                | -                   | -                |
| Capital outlay   | 452,892          | 452,892          | 203,366             | 249,526          |
| <b>Debt service:</b>   |                  |                  |                     |                  |
| Principal  | -                | -                | -                   | -                |
| Interest   | -                | -                | -                   | -                |
| <b>Total expenditures</b>  | <b>452,892</b>   | <b>452,892</b>   | <b>203,366</b>      | <b>249,526</b>   |
| <b>Excess (deficiency) of revenues over(under) expenditures</b>    | <b>(450,892)</b> | <b>(450,892)</b> | <b>(201,543)</b>    | <b>249,349</b>   |
| <b>Other financing sources (uses):</b>                             |                  |                  |                     |                  |
| Operating transfers  | -                | -                | -                   | -                |
| Designated cash  | 450,892          | 450,892          | -                   | (450,892)        |
| <b>Total other financing sources (uses)</b>                        | <b>450,892</b>   | <b>450,892</b>   | <b>-</b>            | <b>(450,892)</b> |
| <b>Net change in fund balances</b>                                 | <b>-</b>         | <b>-</b>         | <b>(201,543)</b>    | <b>(201,543)</b> |
| Cash balance, beginning of year                                    | -                | -                | 451,658             | 451,658          |
| Prior period voided check  | -                | -                | -                   | -                |
| Cash balance, beginning of year restated                           | -                | -                | 451,658             | 451,658          |
| Cash balance, end of year  | \$ -             | \$ -             | \$ 250,115          | \$ 250,115       |
| <b>Net change in fund balance (Non-GAAP Budgetary Basis)</b>       |                  |                  | <b>\$ (201,543)</b> |                  |
| Adjustment to revenues for accruals & other deferrals              |                  |                  | -                   |                  |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |                  | (61,316)            |                  |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |                  | <b>\$ (262,859)</b> |                  |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Debt Service Fund - Debt Service - 41000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |                | Actual           | Variance         |
|--|------------------|----------------|------------------|------------------|
|  | Original         | Final          |                  |                  |
| Revenue:   |                  |                |                  |                  |
| Local and county sources   | \$ 89,820        | \$ 89,820      | \$ 98,746        | \$ 8,926         |
| State sources  | -                | -              | -                | -                |
| Federal sources  | -                | -              | -                | -                |
| Interest   | -                | -              | -                | -                |
| Total revenues   | <u>89,820</u>    | <u>89,820</u>  | <u>98,746</u>    | <u>8,926</u>     |
| Expenditures:  |                  |                |                  |                  |
| Current operating:   |                  |                |                  |                  |
| Instruction  | -                | -              | -                | -                |
| Support services:  |                  |                |                  |                  |
| Students   | -                | -              | -                | -                |
| Instruction  | -                | -              | -                | -                |
| General administration   | 899              | 988            | 988              | -                |
| School administration  | -                | -              | -                | -                |
| Central services   | -                | -              | -                | -                |
| Operation & maintenance of plant                                   | -                | -              | -                | -                |
| Student transportation   | -                | -              | -                | -                |
| Other support services   | -                | -              | -                | -                |
| Operation of non-instructional services                            |                  |                |                  |                  |
| Food services operations   | -                | -              | -                | -                |
| Capital outlay   | -                | -              | -                | -                |
| Debt service:  |                  |                |                  |                  |
| Principal  | 119,840          | 119,751        | 89,820           | 29,931           |
| Interest   | -                | -              | -                | -                |
| Total expenditures   | <u>120,739</u>   | <u>120,739</u> | <u>90,808</u>    | <u>29,931</u>    |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (30,919)         | (30,919)       | 7,938            | 38,857           |
| Other financing sources (uses):                                    |                  |                |                  |                  |
| Operating transfers  | -                | -              | -                | -                |
| Designated cash  | <u>30,919</u>    | <u>30,919</u>  | -                | <u>(30,919)</u>  |
| Total other financing sources (uses)                               | <u>30,919</u>    | <u>30,919</u>  | -                | <u>(30,919)</u>  |
| Net change in fund balances  | -                | -              | 7,938            | 7,938            |
| Cash balance, beginning of year                                    | -                | -              | 44,888           | 44,888           |
| Prior period voided check  | -                | -              | -                | -                |
| Cash balance, beginning of year restated                           | <u>-</u>         | <u>-</u>       | <u>44,888</u>    | <u>44,888</u>    |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>    | <u>\$ 52,826</u> | <u>\$ 52,826</u> |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |                | \$ 7,938         |                  |
| Adjustment to revenues for accruals & other deferrals              |                  |                | 1,086            |                  |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |                | (18)             |                  |
| Net change in fund balance (GAAP Basis)                            |                  |                | <u>\$ 9,006</u>  |                  |

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

Supplementary Information Related  
to Non-Major Governmental Funds

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## NONMAJOR GOVERNMENTAL FUNDS

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

### Food Service

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

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

### IASA Title I

This fund's major objectives are to provide supplemental educational opportunities for academically disadvantaged children in the area where they reside. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; education need determine the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for the creation of this fund is Part A of Chapter 1 of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

### IDEA B Entitlement

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

### IDEA B Preschool

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

### Title V Part A Innovation Education Program Strategies

To establish a local program of alcohol and drug abuse education prevention coordinated with related community efforts and resources. Authority for creation of this fund is Chapter II of Title I of Elementary and Secondary Education Act (ESEA) of 1965 as amended, Public Law 103-382.

### Teacher Principal Training

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

### Safe and Drug Free Schools and Communities

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



## NONMAJOR GOVERNMENTAL FUNDS

### Title I Stimulus

This fund's major objectives are to provide supplemental educational opportunities for academically disadvantaged children in the area where they reside. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; education need determine the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for the creation of this fund is Part A of Chapter 1 of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

### IDEA B Entitlement Federal Stimulus

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

### IDEA B Preschool Federal Stimulus

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

### Rural Education Achievement Program

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

### State Stabilization SEG Federal Stimulus

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

### Dual Credit Fund

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

### Technology for Education Act

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

### Computerized Learning

To account for funds received from a state grant provided to use computer technology to accumulate and report test scores. Funding provided by a state grant.

### Pre K Initiative

The purpose of this fund is to provide special education and related services to pre-school students and also increase the accessibility of such instruction to all students. (P.L. 94-142 and P.L. 99-457).

### Legislative Appropriations

The purpose is to account for revenue and expenditures from a state grant to provide professional development, library materials and educational technology. Funding provided by the State of New Mexico.

## NONMAJOR GOVERNMENTAL FUNDS

### Pre K

To account for funds to identify, screen, and evaluate children who may have a developmental delay. (P.L. 94-142 and P.L. 99-457).

### Library

Laws 2004, Chapter 117, appropriates funds "to acquire supplementary library books, equipment, and library resources for public school and juvenile detention libraries statewide."

### Library Book Fund

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.

### School Based Home Health Center

To support a Level Two School-Based Health Center that will provide quality direct care to students, children of students, and school staff, through the coordination of integrated primary care and behavioral health services. Funds have been allocated from the New Mexico Department of Health, Public Health Division, based on DOH Strategic Plan (07.01.05)

### SBHC Value Options

To account for resources administered by New Mexico Department of Health. Funded by a contract with New Mexico Department of Health.

## **REC Special Revenue Funds:**

### 21<sup>ST</sup> Century Learning Centers

The purpose of this fund is to account for revenues and expenditures for a collaboration of education, health, culture enrichment and social support system in rural communities. The fund was created by grant provisions. Funding passed through the regional education cooperative to the District.

### State Directed Activities

The objective is to account for the IDEA B Discretionary funding passed through the regional education cooperative to the District.

### Medicaid

The objective is to account for the Medicaid funding passed through the regional education cooperative to the District.

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
 Combining Balance Sheet

|                                       | Food Service<br>21000 | Athletics<br>22000 | IASA Title I<br>24101 | IDEA - B<br>Entitlement<br>24106 |
|---------------------------------------|-----------------------|--------------------|-----------------------|----------------------------------|
| <b><u>ASSETS</u></b>                  |                       |                    |                       |                                  |
| Cash and cash equivalents             | \$ 9,353              | \$ 4,780           | \$ -                  | \$ -                             |
| Inventory                             | 5,059                 |                    |                       |                                  |
| Accounts receivable                   |                       |                    |                       |                                  |
| Taxes current                         | -                     | -                  | -                     | -                                |
| Taxes delinquent                      | -                     | -                  | -                     | -                                |
| Due from other governments            | -                     | -                  | -                     | -                                |
|                                       | <hr/>                 | <hr/>              | <hr/>                 | <hr/>                            |
| Total assets                          | <u>\$ 14,412</u>      | <u>\$ 4,780</u>    | <u>\$ -</u>           | <u>\$ -</u>                      |
| <br><b><u>LIABILITIES</u></b>         |                       |                    |                       |                                  |
| Accounts payable                      | \$ -                  | \$ -               | \$ -                  | \$ -                             |
| Deferred revenue                      | -                     | -                  | -                     | -                                |
|                                       | <hr/>                 | <hr/>              | <hr/>                 | <hr/>                            |
| Total liabilities                     | <u>-</u>              | <u>-</u>           | <u>-</u>              | <u>-</u>                         |
| <br><b><u>FUND BALANCE</u></b>        |                       |                    |                       |                                  |
| Non-spendable                         | 5,059                 | -                  | -                     | -                                |
| Restricted for:                       |                       |                    |                       |                                  |
| General fund                          | -                     | -                  | -                     | -                                |
| Special revenue funds                 | 9,353                 | 4,780              | -                     | -                                |
| Capital projects funds                | -                     | -                  | -                     | -                                |
| Debt service funds                    | -                     | -                  | -                     | -                                |
| Unassigned for:                       |                       |                    |                       |                                  |
| General fund                          | -                     | -                  | -                     | -                                |
|                                       | <hr/>                 | <hr/>              | <hr/>                 | <hr/>                            |
| Total fund balance                    | <u>14,412</u>         | <u>4,780</u>       | <u>-</u>              | <u>-</u>                         |
|                                       |                       |                    |                       |                                  |
| Total liabilities and<br>fund balance | <u>\$ 14,412</u>      | <u>\$ 4,780</u>    | <u>\$ -</u>           | <u>\$ -</u>                      |

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

| IDEA - B<br>PreSchool<br>24109 | Title V-Part A<br>Innovative Ed<br>Pro Strategies<br>24150 | Teacher /<br>Principal<br>Training &<br>Recruiting<br>24154 | Safe & Drug<br>Free Schools<br>& Community<br>24157 | IASA Title I<br>Stimulus<br>24201 | IDEA - B<br>Entitlement<br>Stimulus<br>24206 |
|--------------------------------|--|---|---|-----------------------------------|--|
| \$ -                           | \$ -   | \$ -  | \$ -  | \$ -                              | \$ -   |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | 1,202   | -                                 | -  |
| <u>\$ -</u>                    | <u>\$ -</u>  | <u>\$ -</u>   | <u>\$ 1,202</u>                                     | <u>\$ -</u>                       | <u>\$ -</u>                                  |
| \$ -                           | \$ -   | \$ -  | \$ -  | \$ -                              | \$ -   |
| -                              | -  | -   | 1,202   | -                                 | -  |
| -                              | -  | -   | 1,202   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| <u>\$ -</u>                    | <u>\$ -</u>  | <u>\$ -</u>   | <u>\$ 1,202</u>                                     | <u>\$ -</u>                       | <u>\$ -</u>                                  |

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
 Combining Balance Sheet

|                                       | IDEA - B<br>PreSchool<br>Stimulus<br>24209 | Rural Educator<br>Achievement<br>Program<br>25233 | State<br>Equalization<br>Guarantee<br>25250 | Dual Credit<br>Instructional<br>Materials<br>27103 |
|---------------------------------------|--|---|---|--|
| <u>ASSETS</u>                         |  |   |   |  |
| Cash and cash equivalents             | \$ -                                       | \$ 10,231   | \$ -  | \$ -   |
| Inventory                             |  |   |   |  |
| Accounts receivable                   |  |   |   |  |
| Taxes current                         | -  | -   | -   | -  |
| Taxes delinquent                      |  |   |   |  |
| Due from other governments            | -  | -   | 23,168                                      | -  |
|                                       | <u>-</u>                                   | <u>-</u>  | <u>23,168</u>                               | <u>-</u>   |
| Total assets                          | <u>\$ -</u>                                | <u>\$ 10,231</u>                                  | <u>\$ 23,168</u>                            | <u>\$ -</u>  |
| <br><u>LIABILITIES</u>                |  |   |   |  |
| Accounts payable                      | \$ -                                       | \$ -  | \$ -  | \$ -   |
| Deferred revenue                      | -  | -   | 23,168                                      | -  |
|                                       | <u>-</u>                                   | <u>-</u>  | <u>23,168</u>                               | <u>-</u>   |
| Total liabilities                     | <u>-</u>                                   | <u>-</u>  | <u>23,168</u>                               | <u>-</u>   |
| <br><u>FUND BALANCE</u>               |  |   |   |  |
| Non-spendable                         | -  | -   | -   | -  |
| Restricted for:                       |  |   |   |  |
| General fund                          | -  | -   | -   | -  |
| Special revenue funds                 | -  | 10,231  | -   | -  |
| Capital projects funds                | -  | -   | -   | -  |
| Debt service funds                    | -  | -   | -   | -  |
| Unassigned for:                       |  |   |   |  |
| General fund                          | -  | -   | -   | -  |
|                                       | <u>-</u>                                   | <u>-</u>  | <u>-</u>                                    | <u>-</u>   |
| Total fund balance                    | <u>-</u>                                   | <u>10,231</u>                                     | <u>-</u>                                    | <u>-</u>   |
|                                       |  |   |   |  |
| Total liabilities and<br>fund balance | <u>\$ -</u>                                | <u>\$ 10,231</u>                                  | <u>\$ 23,168</u>                            | <u>\$ -</u>  |

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

| Technology for<br>Education PED<br>27117 | Computerized<br>Learning<br>27123 | Pre K<br>Initiative<br>27149 | Libraries<br>27170 | Library Book<br>27549 | School Based<br>Health Center<br>29130 |
|--|-----------------------------------|------------------------------|--------------------|-----------------------|--|
| \$ 1,930                                 | \$ 400                            | \$ -                         | \$ -               | \$ -                  | \$ 28,451                              |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| <u>\$ 1,930</u>                          | <u>\$ 400</u>                     | <u>\$ -</u>                  | <u>\$ -</u>        | <u>\$ -</u>           | <u>\$ 28,451</u>                       |
| \$ -                                     | \$ -                              | \$ -                         | \$ -               | \$ -                  | \$ -                                   |
| 208                                      | -                                 | -                            | -                  | -                     | -                                      |
| 208                                      | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| 1,722                                    | 400                               | -                            | -                  | -                     | 28,451                                 |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| 1,722                                    | 400                               | -                            | -                  | -                     | 28,451                                 |
| <u>\$ 1,930</u>                          | <u>\$ 400</u>                     | <u>\$ -</u>                  | <u>\$ -</u>        | <u>\$ -</u>           | <u>\$ 28,451</u>                       |

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
 Combining Balance Sheet

|                                       | SBHC<br>Value Options<br>29131 | REC<br>Century 21<br>24119 | REC<br>State Directed<br>Activities<br>27200 | REC<br>Medicaid<br>28144 |
|---------------------------------------|--------------------------------|----------------------------|--|--------------------------|
| <b><u>ASSETS</u></b>                  |                                |                            |  |                          |
| Cash and cash equivalents             | \$ 16,779                      | \$ -                       | \$ -   | \$ -                     |
| Inventory                             |                                |                            |  |                          |
| Accounts receivable                   |                                |                            |  |                          |
| Taxes current                         | -                              | -                          | -  | -                        |
| Taxes delinquent                      |                                |                            |  |                          |
| Due from other governments            | -                              | -                          | -  | -                        |
|                                       | <u>          </u>              | <u>          </u>          | <u>          </u>                            | <u>          </u>        |
| Total assets                          | <u>\$ 16,779</u>               | <u>\$ -</u>                | <u>\$ -</u>                                  | <u>\$ -</u>              |
| <br><b><u>LIABILITIES</u></b>         |                                |                            |  |                          |
| Accounts payable                      | \$ -                           | \$ -                       | \$ -   | \$ -                     |
| Deferred revenue                      | -                              | -                          | -  | -                        |
|                                       | <u>          </u>              | <u>          </u>          | <u>          </u>                            | <u>          </u>        |
| Total liabilities                     | <u>-</u>                       | <u>-</u>                   | <u>-</u>                                     | <u>-</u>                 |
| <br><b><u>FUND BALANCE</u></b>        |                                |                            |  |                          |
| Non-spendable                         | -                              | -                          | -  | -                        |
| Restricted for:                       |                                |                            |  |                          |
| General fund                          | -                              | -                          | -  | -                        |
| Special revenue funds                 | 16,779                         | -                          | -  | -                        |
| Capital projects funds                | -                              | -                          | -  | -                        |
| Debt service funds                    | -                              | -                          | -  | -                        |
| Unassigned for:                       |                                |                            |  |                          |
| General fund                          | -                              | -                          | -  | -                        |
|                                       | <u>          </u>              | <u>          </u>          | <u>          </u>                            | <u>          </u>        |
| Total fund balance                    | <u>16,779</u>                  | <u>-</u>                   | <u>-</u>                                     | <u>-</u>                 |
|                                       |                                |                            |  |                          |
| Total liabilities and<br>fund balance | <u>\$ 16,779</u>               | <u>\$ -</u>                | <u>\$ -</u>                                  | <u>\$ -</u>              |

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

| Capital<br>Improvements<br>Senate Bill<br>Nine<br>31700 | Total<br>Non-major<br>Governmental<br>Funds |
|---|---|
| \$ -  | \$ 71,924<br>5,059                          |
| 392   | 392   |
| 1,079   | 1,079                                       |
| -   | 24,370                                      |
| <u>\$ 1,471</u>   | <u>\$ 102,824</u>                           |
|   |   |
| \$ 1,898  | \$ 1,898                                    |
| <u>1,079</u>  | <u>25,657</u>                               |
| <u>2,977</u>  | <u>27,555</u>                               |
|   |   |
| -   | 5,059                                       |
| -   | -   |
| -   | 71,716                                      |
| (1,506)   | (1,506)                                     |
| -   | -   |
| -   | -   |
| <u>(1,506)</u>  | <u>75,269</u>                               |
|   |   |
| <u>\$ 1,471</u>   | <u>\$ 102,824</u>                           |



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the year ended June 30, 2010

|   | Food Service<br>21000 | Athletics<br>22000 | IASA Title I<br>24101 | IDEA - B<br>Entitlement<br>24106 |
|---|-----------------------|--------------------|-----------------------|----------------------------------|
| Revenues:   |                       |                    |                       |                                  |
| Local and county sources                          | \$ 23,345             | \$ 10,117          | \$ -                  | \$ -                             |
| State sources                                     | -                     | -                  | -                     | -                                |
| Federal sources                                   | 39,498                | -                  | 55,295                | 44,750                           |
| Interest income                                   | -                     | -                  | -                     | -                                |
|   | <hr/>                 | <hr/>              | <hr/>                 | <hr/>                            |
| Total revenues                                    | 62,843                | 10,117             | 55,295                | 44,750                           |
| Expenditures:                                     |                       |                    |                       |                                  |
| Current operating:                                |                       |                    |                       |                                  |
| Instruction                                       | -                     | 9,561              | 54,094                | 37,007                           |
| Support services                                  |                       |                    |                       |                                  |
| Students  | -                     | -                  | -                     | 7,743                            |
| Instruction                                       | -                     | -                  | -                     | -                                |
| General administration                            | -                     | -                  | 1,201                 | -                                |
| School administration                             | -                     | -                  | -                     | -                                |
| Central services                                  | -                     | -                  | -                     | -                                |
| Operation & maintenance of plant                  | -                     | -                  | -                     | -                                |
| Student transportation                            | -                     | -                  | -                     | -                                |
| Other support services                            | -                     | -                  | -                     | -                                |
| Operation of non-instructional services           |                       |                    |                       |                                  |
| Food services operations                          | 59,045                | -                  | -                     | -                                |
| Capital outlay                                    | -                     | -                  | -                     | -                                |
| Debt service:                                     |                       |                    |                       |                                  |
| Principal   | -                     | -                  | -                     | -                                |
| Interest  | -                     | -                  | -                     | -                                |
|   | <hr/>                 | <hr/>              | <hr/>                 | <hr/>                            |
| Total expenditures                                | 59,045                | 9,561              | 55,295                | 44,750                           |
| Excess (deficiency) revenues<br>over expenditures | 3,798                 | 556                | -                     | -                                |
| Other financing sources (uses):                   |                       |                    |                       |                                  |
| Operating transfer                                | -                     | -                  | -                     | (11,581)                         |
| Repayment of loan                                 | -                     | -                  | -                     | -                                |
|   | <hr/>                 | <hr/>              | <hr/>                 | <hr/>                            |
| Total other financing sources (uses)              | -                     | -                  | -                     | (11,581)                         |
| Net change in fund balances                       | 3,798                 | 556                | -                     | (11,581)                         |
| Fund balance, beginning                           | 10,614                | 4,224              | -                     | 11,581                           |
| Prior period adjustment                           | -                     | -                  | -                     | -                                |
|   | <hr/>                 | <hr/>              | <hr/>                 | <hr/>                            |
| Fund balance, beginning restated                  | 10,614                | 4,224              | -                     | 11,581                           |
| Fund balance, ending                              | <u>\$ 14,412</u>      | <u>\$ 4,780</u>    | <u>\$ -</u>           | <u>\$ -</u>                      |

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

| IDEA - B<br>PreSchool<br>24109 | Title V-Part A<br>Innovative Ed<br>Pro Strategies<br>24150 | Teacher /<br>Principal<br>Training &<br>Recruiting<br>24154 | Safe & Drug<br>Free Schools<br>& Community<br>24157 | IASA Title I<br>Stimulus<br>24201 | IDEA - B<br>Entitlement<br>Stimulus<br>24206 |
|--------------------------------|--|---|---|-----------------------------------|--|
| \$ -                           | \$ -   | \$ -  | \$ -  | \$ -                              | \$ -   |
| -                              | -  | -   | -   | -                                 | -  |
| 3,886                          | 72   | 13,143  | 401   | 52,986                            | 38,729                                       |
| -                              | -  | -   | -   | -                                 | -  |
| <u>3,886</u>                   | <u>72</u>  | <u>13,143</u>   | <u>401</u>  | <u>52,986</u>                     | <u>38,729</u>                                |
| 3,886                          | -  | 10,159  | 1,603   | 43,822                            | 21,403                                       |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | 72   | -   | -   | -                                 | -  |
| -                              | -  | 1,471   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | 9,164                             | 17,326                                       |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| <u>3,886</u>                   | <u>72</u>  | <u>11,630</u>   | <u>1,603</u>  | <u>52,986</u>                     | <u>38,729</u>                                |
| -                              | -  | 1,513   | (1,202)   | -                                 | -  |
| -                              | -  | (1,513)   | 1,202   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | <u>(1,513)</u>  | <u>1,202</u>  | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| -                              | -  | -   | -   | -                                 | -  |
| <u>\$ -</u>                    | <u>\$ -</u>  | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>                       | <u>\$ -</u>                                  |

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the year ended June 30, 2010

|   | IDEA - B<br>PreSchool<br>Stimulus<br>24209 | Rural Educatior<br>Achievement<br>Program<br>25233 | State<br>Equalization<br>Guarantee<br>25250 | Dual Credit<br>Instructional<br>Materials<br>27103 |
|---|--|--|---|--|
| <b>Revenues:</b>                                  |  |  |   |  |
| Local and county sources                          | \$ -                                       | \$ -   | \$ -  | \$ -   |
| State sources                                     | -  | -  | -   | 3,036  |
| Federal sources                                   | 1,457                                      | 13,164   | 126,407                                     | -  |
| Interest income                                   | -  | -  | -   | -  |
| <b>Total revenues</b>                             | <b>1,457</b>                               | <b>13,164</b>                                      | <b>126,407</b>                              | <b>3,036</b>                                       |
| <b>Expenditures:</b>                              |  |  |   |  |
| <b>Current operating:</b>                         |  |  |   |  |
| Instruction                                       | 1,457                                      | 5,968  | 124,375                                     | 3,036  |
| Support services                                  |  |  |   |  |
| Students  | -  | -  | -   | -  |
| Instruction                                       | -  | -  | -   | -  |
| General administration                            | -  | -  | -   | -  |
| School administration                             | -  | -  | -   | -  |
| Central services                                  | -  | -  | -   | -  |
| Operation & maintenance of plant                  | -  | -  | 24,000                                      | -  |
| Student transportation                            | -  | -  | -   | -  |
| Other support services                            | -  | -  | -   | -  |
| Operation of non-instructional services           |  |  |   |  |
| Food services operations                          | -  | -  | -   | -  |
| Capital outlay                                    | -  | -  | 1,200                                       | -  |
| Debt service:                                     |  |  |   |  |
| Principal   | -  | -  | -   | -  |
| Interest  | -  | -  | -   | -  |
| <b>Total expenditures</b>                         | <b>1,457</b>                               | <b>5,968</b>                                       | <b>149,575</b>                              | <b>3,036</b>                                       |
| Excess (deficiency) revenues<br>over expenditures | -  | 7,196  | (23,168)                                    | -  |
| <b>Other financing sources (uses):</b>            |  |  |   |  |
| Operating transfer                                | -  | -  | 23,168                                      | -  |
| Repayment of loan                                 | -  | -  | -   | -  |
| <b>Total other financing sources (uses)</b>       | <b>-</b>                                   | <b>-</b>   | <b>23,168</b>                               | <b>-</b>   |
| Net change in fund balances                       | -  | 7,196  | -   | -  |
| Fund balance, beginning                           | -  | 3,035  | -   | -  |
| Prior period adjustment                           | -  | -  | -   | -  |
| <b>Fund balance, beginning restated</b>           | <b>-</b>                                   | <b>3,035</b>                                       | <b>-</b>                                    | <b>-</b>   |
| <b>Fund balance, ending</b>                       | <b>\$ -</b>                                | <b>\$ 10,231</b>                                   | <b>\$ -</b>                                 | <b>\$ -</b>  |

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

| Technology for<br>Education PED<br>27117 | Computerized<br>Learning<br>27123 | Pre K<br>Initiative<br>27149 | Libraries<br>27170 | Library Book<br>27549 | School Based<br>Health Center<br>29130 |
|--|-----------------------------------|------------------------------|--------------------|-----------------------|--|
| \$ -                                     | \$ -                              | \$ -                         | \$ -               | \$ -                  | \$ -                                   |
| 1,306                                    | -                                 | 3,852                        | 3,803              | -                     | 54,385                                 |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| <u>1,306</u>                             | <u>-</u>                          | <u>3,852</u>                 | <u>3,803</u>       | <u>-</u>              | <u>54,385</u>                          |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | 46,048                                 |
| 1,306                                    | -                                 | -                            | -                  | 453                   | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | 100,000                                |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| <u>1,306</u>                             | <u>-</u>                          | <u>-</u>                     | <u>-</u>           | <u>453</u>            | <u>146,048</u>                         |
| -  | -                                 | 3,852                        | 3,803              | (453)                 | (91,663)                               |
| -  | -                                 | (11,341)                     | (9,236)            | -                     | -                                      |
| -  | -                                 | -                            | -                  | -                     | -                                      |
| -  | -                                 | (11,341)                     | (9,236)            | -                     | -                                      |
| -  | -                                 | (7,489)                      | (5,433)            | (453)                 | (91,663)                               |
| 7,460                                    | 400                               | 7,489                        | 5,433              | 453                   | 120,114                                |
| (5,738)                                  | -                                 | -                            | -                  | -                     | -                                      |
| <u>1,722</u>                             | <u>400</u>                        | <u>7,489</u>                 | <u>5,433</u>       | <u>453</u>            | <u>120,114</u>                         |
| <u>\$ 1,722</u>                          | <u>\$ 400</u>                     | <u>\$ -</u>                  | <u>\$ -</u>        | <u>\$ -</u>           | <u>\$ 28,451</u>                       |

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the year ended June 30, 2010

|   | SBHC<br>Value Options<br>29131 | REC<br>Century 21<br>24119 | REC<br>State Directed<br>Activities<br>27200 | REC<br>Medicaid<br>28144 |
|---|--------------------------------|----------------------------|--|--------------------------|
| <b>Revenues:</b>                                  |                                |                            |  |                          |
| Local and county sources                          | \$ -                           | \$ -                       | \$ -   | \$ -                     |
| State sources                                     | -                              | -                          | 28,378                                       | 1,830                    |
| Federal sources                                   | -                              | 44,831                     | -  | -                        |
| Interest income                                   | -                              | -                          | -  | -                        |
| <b>Total revenues</b>                             | <b>-</b>                       | <b>44,831</b>              | <b>28,378</b>                                | <b>1,830</b>             |
| <b>Expenditures:</b>                              |                                |                            |  |                          |
| Current operating:                                |                                |                            |  |                          |
| Instruction                                       | -                              | -                          | -  | -                        |
| Support services                                  |                                |                            |  |                          |
| Students  | 3,613                          | 44,831                     | 28,378                                       | 1,830                    |
| Instruction                                       | -                              | -                          | -  | -                        |
| General administration                            | -                              | -                          | -  | -                        |
| School administration                             | -                              | -                          | -  | -                        |
| Central services                                  | -                              | -                          | -  | -                        |
| Operation & maintenance of plant                  | -                              | -                          | -  | -                        |
| Student transportation                            | -                              | -                          | -  | -                        |
| Other support services                            | -                              | -                          | -  | -                        |
| Operation of non-instructional services           |                                |                            |  |                          |
| Food services operations                          | -                              | -                          | -  | -                        |
| Capital outlay                                    | -                              | -                          | -  | -                        |
| Debt service:                                     |                                |                            |  |                          |
| Principal   | -                              | -                          | -  | -                        |
| Interest  | -                              | -                          | -  | -                        |
| <b>Total expenditures</b>                         | <b>3,613</b>                   | <b>44,831</b>              | <b>28,378</b>                                | <b>1,830</b>             |
| Excess (deficiency) revenues<br>over expenditures | (3,613)                        | -                          | -  | -                        |
| Other financing sources (uses):                   |                                |                            |  |                          |
| Operating transfer                                | -                              | -                          | -  | -                        |
| Repayment of loan                                 | -                              | -                          | -  | -                        |
| <b>Total other financing sources (uses)</b>       | <b>-</b>                       | <b>-</b>                   | <b>-</b>                                     | <b>-</b>                 |
| Net change in fund balances                       | (3,613)                        | -                          | -  | -                        |
| Fund balance, beginning                           | 20,392                         | -                          | -  | -                        |
| Prior period adjustment                           | -                              | -                          | -  | -                        |
| <b>Fund balance, beginning restated</b>           | <b>20,392</b>                  | <b>-</b>                   | <b>-</b>                                     | <b>-</b>                 |
| <b>Fund balance, ending</b>                       | <b>\$ 16,779</b>               | <b>\$ -</b>                | <b>\$ -</b>                                  | <b>\$ -</b>              |

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

| Capital<br>Improvements<br>Senate Bill<br>Nine<br>31700 | Total<br>Non-major<br>Governmental<br>Funds |
|---|---|
| \$ 21,063   | \$ 54,525                                   |
| 59,409  | 155,999                                     |
| -   | 434,619                                     |
| -   | -   |
| <u>80,472</u>   | <u>645,143</u>                              |
| -   | 316,371                                     |
| -   | 132,443                                     |
| -   | 1,831                                       |
| 208   | 2,880                                       |
| -   | -   |
| -   | -   |
| 58,431  | 82,431                                      |
| -   | -   |
| -   | -   |
| -   | 59,045                                      |
| 55,374  | 183,064                                     |
| -   | -   |
| -   | -   |
| <u>114,013</u>  | <u>778,065</u>                              |
| (33,541)  | (132,922)                                   |
| 19,476  | 10,175                                      |
| -   | -   |
| <u>19,476</u>   | <u>10,175</u>                               |
| (14,065)  | (122,747)                                   |
| 12,559  | 203,754                                     |
| -   | (5,738)                                     |
| <u>12,559</u>   | <u>198,016</u>                              |
| <u>\$ (1,506)</u>                                       | <u>\$ 75,269</u>                            |

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Food Service - 21000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |               | Actual          | Variance        |
|--|------------------|---------------|-----------------|-----------------|
|  | Original         | Final         |                 |                 |
| Revenue:   |                  |               |                 |                 |
| Local and county sources   | \$ 20,500        | \$ 20,500     | \$ 23,345       | \$ 2,845        |
| State sources  | -                | -             | -               | -               |
| Federal sources  | 40,000           | 40,000        | 35,317          | (4,683)         |
| Interest   | -                | -             | -               | -               |
| Total revenues   | <u>60,500</u>    | <u>60,500</u> | <u>58,662</u>   | <u>(1,838)</u>  |
| Expenditures:  |                  |               |                 |                 |
| Current operating:   |                  |               |                 |                 |
| Instruction  | -                | -             | -               | -               |
| Support services:  |                  |               |                 |                 |
| Students   | -                | -             | -               | -               |
| Instruction  | -                | -             | -               | -               |
| General administration   | -                | -             | -               | -               |
| School administration  | -                | -             | -               | -               |
| Central services   | -                | -             | -               | -               |
| Operation & maintenance of plant                                   | -                | -             | -               | -               |
| Student transportation   | -                | -             | -               | -               |
| Other support services   | -                | -             | -               | -               |
| Operation of non-instructional services                            |                  |               |                 |                 |
| Food services operations   | 71,450           | 71,450        | 59,923          | 11,527          |
| Capital outlay   | -                | -             | -               | -               |
| Debt service:  |                  |               |                 |                 |
| Principal  | -                | -             | -               | -               |
| Interest   | -                | -             | -               | -               |
| Total expenditures   | <u>71,450</u>    | <u>71,450</u> | <u>59,923</u>   | <u>11,527</u>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (10,950)         | (10,950)      | (1,261)         | 9,689           |
| Other financing sources (uses):                                    |                  |               |                 |                 |
| Operating transfers  | -                | -             | -               | -               |
| Designated cash  | <u>10,950</u>    | <u>10,950</u> | -               | <u>(10,950)</u> |
| Total other financing sources (uses)                               | <u>10,950</u>    | <u>10,950</u> | -               | <u>(10,950)</u> |
| Net change in fund balances  | -                | -             | (1,261)         | (1,261)         |
| Cash balance, beginning of year                                    | -                | -             | 10,614          | 10,614          |
| Prior period voided check  | -                | -             | -               | -               |
| Cash balance, beginning of year restated                           | <u>-</u>         | <u>-</u>      | <u>10,614</u>   | <u>10,614</u>   |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>   | <u>\$ 9,353</u> | <u>\$ 9,353</u> |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |               | \$ (1,261)      |                 |
| Adjustment to revenues for accruals & other deferrals              |                  |               | 4,181           |                 |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |               | <u>878</u>      |                 |
| Net change in fund balance (GAAP Basis)                            |                  |               | <u>\$ 3,798</u> |                 |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Athletics - 22000  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |               | Actual          | Variance        |
|--|------------------|---------------|-----------------|-----------------|
|  | Original         | Final         |                 |                 |
| Revenue:   |                  |               |                 |                 |
| Local and county sources   | \$ 9,200         | \$ 9,200      | \$ 10,117       | \$ 917          |
| State sources  | -                | -             | -               | -               |
| Federal sources  | -                | -             | -               | -               |
| Interest   | -                | -             | -               | -               |
| Total revenues   | <u>9,200</u>     | <u>9,200</u>  | <u>10,117</u>   | <u>917</u>      |
| Expenditures:  |                  |               |                 |                 |
| Current operating:   |                  |               |                 |                 |
| Instruction  | 13,424           | 13,424        | 9,561           | 3,863           |
| Support services:  |                  |               |                 |                 |
| Students   | -                | -             | -               | -               |
| Instruction  | -                | -             | -               | -               |
| General administration   | -                | -             | -               | -               |
| School administration  | -                | -             | -               | -               |
| Central services   | -                | -             | -               | -               |
| Operation & maintenance of plant                                   | -                | -             | -               | -               |
| Student transportation   | -                | -             | -               | -               |
| Other support services   | -                | -             | -               | -               |
| Operation of non-instructional services                            |                  |               |                 |                 |
| Food services operations   | -                | -             | -               | -               |
| Capital outlay   | -                | -             | -               | -               |
| Debt service:  |                  |               |                 |                 |
| Principal  | -                | -             | -               | -               |
| Interest   | -                | -             | -               | -               |
| Total expenditures   | <u>13,424</u>    | <u>13,424</u> | <u>9,561</u>    | <u>3,863</u>    |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (4,224)          | (4,224)       | 556             | 4,780           |
| Other financing sources (uses):                                    |                  |               |                 |                 |
| Operating transfers  | -                | -             | -               | -               |
| Designated cash  | <u>4,224</u>     | <u>4,224</u>  | -               | <u>(4,224)</u>  |
| Total other financing sources (uses)                               | <u>4,224</u>     | <u>4,224</u>  | -               | <u>(4,224)</u>  |
| Net change in fund balances  | -                | -             | 556             | 556             |
| Cash balance, beginning of year                                    | -                | -             | 4,224           | 4,224           |
| Prior period voided check  | -                | -             | -               | -               |
| Cash balance, beginning of year restated                           | <u>-</u>         | <u>-</u>      | <u>4,224</u>    | <u>4,224</u>    |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>   | <u>\$ 4,780</u> | <u>\$ 4,780</u> |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |               | \$ 556          |                 |
| Adjustment to revenues for accruals & other deferrals              |                  |               | -               |                 |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |               | -               |                 |
| Net change in fund balance (GAAP Basis)                            |                  |               | <u>\$ 556</u>   |                 |

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



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - IASA Title I - 24101  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |               | Actual        | Variance       |
|--|------------------|---------------|---------------|----------------|
|  | Original         | Final         |               |                |
| Revenue:   |                  |               |               |                |
| Local and county sources   | \$ -             | \$ -          | \$ -          | \$ -           |
| State sources  | -                | -             | -             | -              |
| Federal sources  | 60,066           | 62,941        | 55,295        | (7,646)        |
| Interest   | -                | -             | -             | -              |
| <b>Total revenues</b>  | <b>60,066</b>    | <b>62,941</b> | <b>55,295</b> | <b>(7,646)</b> |
| Expenditures:  |                  |               |               |                |
| Current operating:   |                  |               |               |                |
| Instruction  | 58,864           | 61,739        | 54,094        | 7,645          |
| Support services:  |                  |               |               |                |
| Students   | -                | -             | -             | -              |
| Instruction  | -                | -             | -             | -              |
| General administration   | 1,202            | 1,202         | 1,201         | 1              |
| School administration  | -                | -             | -             | -              |
| Central services   | -                | -             | -             | -              |
| Operation & maintenance of plant                                   | -                | -             | -             | -              |
| Student transportation   | -                | -             | -             | -              |
| Other support services   | -                | -             | -             | -              |
| Operation of non-instructional services                            |                  |               |               |                |
| Food services operations   | -                | -             | -             | -              |
| Capital outlay   | -                | -             | -             | -              |
| Debt service:  |                  |               |               |                |
| Principal  | -                | -             | -             | -              |
| Interest   | -                | -             | -             | -              |
| <b>Total expenditures</b>  | <b>60,066</b>    | <b>62,941</b> | <b>55,295</b> | <b>7,646</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -             | -             | -              |
| Other financing sources (uses):                                    |                  |               |               |                |
| Operating transfers  | -                | -             | -             | -              |
| Designated cash  | -                | -             | -             | -              |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>      | <b>-</b>      | <b>-</b>       |
| Net change in fund balances  | -                | -             | -             | -              |
| Cash balance, beginning of year                                    | -                | -             | -             | -              |
| Prior period voided check  | -                | -             | -             | -              |
| Cash balance, beginning of year restated                           | -                | -             | -             | -              |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>    |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |               | \$ -          |                |
| Adjustment to revenues for accruals & other deferrals              |                  |               | -             |                |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |               | -             |                |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |               | <u>\$ -</u>   |                |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - IDEA-B Entitlement - 24106  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |               | Actual             | Variance        |
|--|------------------|---------------|--------------------|-----------------|
|  | Original         | Final         |                    |                 |
| Revenue:   |                  |               |                    |                 |
| Local and county sources   | \$ -             | \$ -          | \$ -               | \$ -            |
| State sources  | -                | -             | -                  | -               |
| Federal sources  | -                | 46,131        | 56,331             | 10,200          |
| Interest   | -                | -             | -                  | -               |
| <b>Total revenues</b>  | <b>-</b>         | <b>46,131</b> | <b>56,331</b>      | <b>10,200</b>   |
| Expenditures:  |                  |               |                    |                 |
| Current operating:   |                  |               |                    |                 |
| Instruction  | -                | 38,388        | 37,007             | 1,381           |
| Support services:  |                  |               |                    |                 |
| Students   | -                | 7,743         | 7,743              | -               |
| Instruction  | -                | -             | -                  | -               |
| General administration   | -                | -             | -                  | -               |
| School administration  | -                | -             | -                  | -               |
| Central services   | -                | -             | -                  | -               |
| Operation & maintenance of plant                                   | -                | -             | -                  | -               |
| Student transportation   | -                | -             | -                  | -               |
| Other support services   | -                | -             | -                  | -               |
| Operation of non-instructional services                            |                  |               |                    |                 |
| Food services operations   | -                | -             | -                  | -               |
| Capital outlay   | -                | -             | -                  | -               |
| Debt service:  |                  |               |                    |                 |
| Principal  | -                | -             | -                  | -               |
| Interest   | -                | -             | -                  | -               |
| <b>Total expenditures</b>  | <b>-</b>         | <b>46,131</b> | <b>44,750</b>      | <b>1,381</b>    |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -             | 11,581             | 11,581          |
| Other financing sources (uses):                                    |                  |               |                    |                 |
| Operating transfers  | -                | -             | (11,581)           | (11,581)        |
| Designated cash  | -                | -             | -                  | -               |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>      | <b>(11,581)</b>    | <b>(11,581)</b> |
| Net change in fund balances  | -                | -             | -                  | -               |
| Cash balance, beginning of year                                    | -                | -             | -                  | -               |
| Prior period voided check  | -                | -             | -                  | -               |
| Cash balance, beginning of year restated                           | -                | -             | -                  | -               |
| Cash balance, end of year  | \$ -             | \$ -          | \$ -               | \$ -            |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |               | \$ -               |                 |
| Adjustment to revenues for accruals & other deferrals              |                  |               | (11,581)           |                 |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |               | -                  |                 |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |               | <b>\$ (11,581)</b> |                 |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - IDEA-B PreSchool - 24109  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |              | Actual       | Variance     |
|--|------------------|--------------|--------------|--------------|
|  | Original         | Final        |              |              |
| Revenue:   |                  |              |              |              |
| Local and county sources   | \$ -             | \$ -         | \$ -         | \$ -         |
| State sources  | -                | -            | -            | -            |
| Federal sources  | -                | 4,382        | 3,886        | (496)        |
| Interest   | -                | -            | -            | -            |
| <b>Total revenues</b>  | <b>-</b>         | <b>4,382</b> | <b>3,886</b> | <b>(496)</b> |
| Expenditures:  |                  |              |              |              |
| Current operating:   |                  |              |              |              |
| Instruction  | -                | 4,382        | 3,886        | 496          |
| Support services:  |                  |              |              |              |
| Students   | -                | -            | -            | -            |
| Instruction  | -                | -            | -            | -            |
| General administration   | -                | -            | -            | -            |
| School administration  | -                | -            | -            | -            |
| Central services   | -                | -            | -            | -            |
| Operation & maintenance of plant                                   | -                | -            | -            | -            |
| Student transportation   | -                | -            | -            | -            |
| Other support services   | -                | -            | -            | -            |
| Operation of non-instructional services                            |                  |              |              |              |
| Food services operations   | -                | -            | -            | -            |
| Capital outlay   | -                | -            | -            | -            |
| Debt service:  |                  |              |              |              |
| Principal  | -                | -            | -            | -            |
| Interest   | -                | -            | -            | -            |
| <b>Total expenditures</b>  | <b>-</b>         | <b>4,382</b> | <b>3,886</b> | <b>496</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -            | -            | -            |
| Other financing sources (uses):                                    |                  |              |              |              |
| Operating transfers  | -                | -            | -            | -            |
| Designated cash  | -                | -            | -            | -            |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>     | <b>-</b>     | <b>-</b>     |
| Net change in fund balances  | -                | -            | -            | -            |
| Cash balance, beginning of year                                    | -                | -            | -            | -            |
| Prior period voided check  | -                | -            | -            | -            |
| Cash balance, beginning of year restated                           | -                | -            | -            | -            |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |              | \$ -         |              |
| Adjustment to revenues for accruals & other deferrals              |                  |              | -            |              |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |              | -            |              |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |              | <u>\$ -</u>  |              |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - IDEA-B Risk Pool - 24120  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |       | Actual | Variance |
|--|------------------|-------|--------|----------|
|  | Original         | Final |        |          |
| Revenue:   |                  |       |        |          |
| Local and county sources   | \$ -             | \$ -  | \$ -   | \$ -     |
| State sources  | -                | -     | -      | -        |
| Federal sources  | -                | -     | -      | -        |
| Interest   | -                | -     | -      | -        |
| Total revenues   | -                | -     | -      | -        |
| Expenditures:  |                  |       |        |          |
| Current operating:   |                  |       |        |          |
| Instruction  | -                | 375   | -      | 375      |
| Support services:  |                  |       |        |          |
| Students   | -                | -     | -      | -        |
| Instruction  | -                | -     | -      | -        |
| General administration   | -                | -     | -      | -        |
| School administration  | -                | -     | -      | -        |
| Central services   | -                | -     | -      | -        |
| Operation & maintenance of plant                                   | -                | -     | -      | -        |
| Student transportation   | -                | -     | -      | -        |
| Other support services   | -                | -     | -      | -        |
| Operation of non-instructional services                            |                  |       |        |          |
| Food services operations   | -                | -     | -      | -        |
| Capital outlay   | -                | -     | -      | -        |
| Debt service:  |                  |       |        |          |
| Principal  | -                | -     | -      | -        |
| Interest   | -                | -     | -      | -        |
| Total expenditures   | -                | 375   | -      | 375      |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | (375) | -      | 375      |
| Other financing sources (uses):                                    |                  |       |        |          |
| Operating transfers  | -                | -     | -      | -        |
| Designated cash  | -                | 375   | -      | (375)    |
| Total other financing sources (uses)                               | -                | 375   | -      | (375)    |
| Net change in fund balances  | -                | -     | -      | -        |
| Cash balance, beginning of year                                    | -                | -     | -      | -        |
| Prior period voided check  | -                | -     | -      | -        |
| Cash balance, beginning of year restated                           | -                | -     | -      | -        |
| Cash balance, end of year  | \$ -             | \$ -  | \$ -   | \$ -     |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |       | \$ -   |          |
| Adjustment to revenues for accruals & other deferrals              |                  |       | -      |          |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |       | -      |          |
| Net change in fund balance (GAAP Basis)                            |                  |       | \$ -   |          |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Title V - Part A Innovative Ed Pro Strategies - 24150  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |             | Actual      | Variance    |
|--|------------------|-------------|-------------|-------------|
|  | Original         | Final       |             |             |
| Revenue:   |                  |             |             |             |
| Local and county sources   | \$ -             | \$ -        | \$ -        | \$ -        |
| State sources  | -                | -           | -           | -           |
| Federal sources  | -                | 72          | 72          | -           |
| Interest   | -                | -           | -           | -           |
| <b>Total revenues</b>  | <b>-</b>         | <b>72</b>   | <b>72</b>   | <b>-</b>    |
| Expenditures:  |                  |             |             |             |
| Current operating:   |                  |             |             |             |
| Instruction  | -                | -           | -           | -           |
| Support services:  |                  |             |             |             |
| Students   | -                | -           | -           | -           |
| Instruction  | -                | 72          | 72          | -           |
| General administration   | -                | -           | -           | -           |
| School administration  | -                | -           | -           | -           |
| Central services   | -                | -           | -           | -           |
| Operation & maintenance of plant                                   | -                | -           | -           | -           |
| Student transportation   | -                | -           | -           | -           |
| Other support services   | -                | -           | -           | -           |
| Operation of non-instructional services                            |                  |             |             |             |
| Food services operations   | -                | -           | -           | -           |
| Capital outlay   | -                | -           | -           | -           |
| Debt service:  |                  |             |             |             |
| Principal  | -                | -           | -           | -           |
| Interest   | -                | -           | -           | -           |
| <b>Total expenditures</b>  | <b>-</b>         | <b>72</b>   | <b>72</b>   | <b>-</b>    |
| Excess (deficiency) of revenues over(under) expenditures           | -                | -           | -           | -           |
| Other financing sources (uses):                                    |                  |             |             |             |
| Operating transfers  | -                | -           | -           | -           |
| Designated cash  | -                | -           | -           | -           |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>    | <b>-</b>    | <b>-</b>    |
| Net change in fund balances  | -                | -           | -           | -           |
| Cash balance, beginning of year                                    | -                | -           | -           | -           |
| Prior period voided check  | -                | -           | -           | -           |
| Cash balance, beginning of year restated                           | -                | -           | -           | -           |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |             | \$ -        |             |
| Adjustment to revenues for accruals & other deferrals              |                  |             | -           |             |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |             | -           |             |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |             | <u>\$ -</u> |             |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Funds - Teacher/Principal Training & Recruiting - 24154  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |               | Actual         | Variance       |
|--|------------------|---------------|----------------|----------------|
|  | Original         | Final         |                |                |
| Revenue:   |                  |               |                |                |
| Local and county sources   | \$ -             | \$ -          | \$ -           | \$ -           |
| State sources  | -                | -             | -              | -              |
| Federal sources  | 11,715           | 17,301        | 13,143         | (4,158)        |
| Interest   | -                | -             | -              | -              |
| <b>Total revenues</b>  | <b>11,715</b>    | <b>17,301</b> | <b>13,143</b>  | <b>(4,158)</b> |
| Expenditures:  |                  |               |                |                |
| Current operating:   |                  |               |                |                |
| Instruction  | 8,715            | 11,715        | 10,159         | 1,556          |
| Support services:  |                  |               |                |                |
| Students   | -                | 2,586         | -              | 2,586          |
| Instruction  | -                | -             | -              | -              |
| General administration   | 3,000            | 3,000         | 1,471          | 1,529          |
| School administration  | -                | -             | -              | -              |
| Central services   | -                | -             | -              | -              |
| Operation & maintenance of plant                                   | -                | -             | -              | -              |
| Student transportation   | -                | -             | -              | -              |
| Other support services   | -                | -             | -              | -              |
| Operation of non-instructional services                            |                  |               |                |                |
| Food services operations   | -                | -             | -              | -              |
| Capital outlay   | -                | -             | -              | -              |
| Debt service:  |                  |               |                |                |
| Principal  | -                | -             | -              | -              |
| Interest   | -                | -             | -              | -              |
| <b>Total expenditures</b>  | <b>11,715</b>    | <b>17,301</b> | <b>11,630</b>  | <b>5,671</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -             | 1,513          | 1,513          |
| Other financing sources (uses):                                    |                  |               |                |                |
| Operating transfers  | -                | -             | (1,513)        | (1,513)        |
| Designated cash  | -                | -             | -              | -              |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>      | <b>(1,513)</b> | <b>(1,513)</b> |
| Net change in fund balances  | -                | -             | -              | -              |
| Cash balance, beginning of year                                    | -                | -             | -              | -              |
| Prior period voided check  | -                | -             | -              | -              |
| Cash balance, beginning of year restated                           | -                | -             | -              | -              |
| Cash balance, end of year  | \$ -             | \$ -          | \$ -           | \$ -           |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |               | \$ -           |                |
| Adjustment to revenues for accruals & other deferrals              |                  |               | -              |                |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |               | -              |                |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |               | <b>\$ -</b>    |                |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Safe and Drug Free Schools and Community - 24157  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |              | Actual       | Variance       |
|--|------------------|--------------|--------------|----------------|
|  | Original         | Final        |              |                |
| Revenue:   |                  |              |              |                |
| Local and county sources   | \$ -             | \$ -         | \$ -         | \$ -           |
| State sources  | -                | -            | -            | -              |
| Federal sources  | 816              | 1,644        | 401          | (1,243)        |
| Interest   | -                | -            | -            | -              |
| <b>Total revenues</b>  | <b>816</b>       | <b>1,644</b> | <b>401</b>   | <b>(1,243)</b> |
| Expenditures:  |                  |              |              |                |
| Current operating:   |                  |              |              |                |
| Instruction  | 816              | 1,644        | 1,603        | 41             |
| Support services:  |                  |              |              |                |
| Students   | -                | -            | -            | -              |
| Instruction  | -                | -            | -            | -              |
| General administration   | -                | -            | -            | -              |
| School administration  | -                | -            | -            | -              |
| Central services   | -                | -            | -            | -              |
| Operation & maintenance of plant                                   | -                | -            | -            | -              |
| Student transportation   | -                | -            | -            | -              |
| Other support services   | -                | -            | -            | -              |
| Operation of non-instructional services                            |                  |              |              |                |
| Food services operations   | -                | -            | -            | -              |
| Capital outlay   | -                | -            | -            | -              |
| Debt service:  |                  |              |              |                |
| Principal  | -                | -            | -            | -              |
| Interest   | -                | -            | -            | -              |
| <b>Total expenditures</b>  | <b>816</b>       | <b>1,644</b> | <b>1,603</b> | <b>41</b>      |
| Excess (deficiency) of revenues over(under) expenditures           | -                | -            | (1,202)      | (1,202)        |
| Other financing sources (uses):                                    |                  |              |              |                |
| Operating transfers  | -                | -            | 1,202        | 1,202          |
| Designated cash  | -                | -            | -            | -              |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>     | <b>1,202</b> | <b>1,202</b>   |
| Net change in fund balances  | -                | -            | -            | -              |
| Cash balance, beginning of year                                    | -                | -            | -            | -              |
| Prior period voided check  | -                | -            | -            | -              |
| Cash balance, beginning of year restated                           | -                | -            | -            | -              |
| Cash balance, end of year  | \$ -             | \$ -         | \$ -         | \$ -           |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |              | \$ -         |                |
| Adjustment to revenues for accruals & other deferrals              |                  |              | -            |                |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |              | -            |                |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |              | <b>\$ -</b>  |                |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - IASA Title I Stimulus - 24201  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |               | Actual        | Variance    |
|--|------------------|---------------|---------------|-------------|
|  | Original         | Final         |               |             |
| Revenue:   |                  |               |               |             |
| Local and county sources   | \$ -             | \$ -          | \$ -          | \$ -        |
| State sources  | -                | -             | -             | -           |
| Federal sources  | 26,632           | 52,986        | 52,986        | -           |
| Interest   | -                | -             | -             | -           |
| Total revenues   | <u>26,632</u>    | <u>52,986</u> | <u>52,986</u> | <u>-</u>    |
| Expenditures:  |                  |               |               |             |
| Current operating:   |                  |               |               |             |
| Instruction  | 26,632           | 52,986        | 43,822        | 9,164       |
| Support services:  |                  |               |               |             |
| Students   | -                | -             | -             | -           |
| Instruction  | -                | -             | -             | -           |
| General administration   | -                | -             | -             | -           |
| School administration  | -                | -             | -             | -           |
| Central services   | -                | -             | -             | -           |
| Operation & maintenance of plant                                   | -                | -             | -             | -           |
| Student transportation   | -                | -             | -             | -           |
| Other support services   | -                | -             | -             | -           |
| Operation of non-instructional services                            |                  |               |               |             |
| Food services operations   | -                | -             | -             | -           |
| Capital outlay   | -                | -             | 9,164         | (9,164)     |
| Debt service:  |                  |               |               |             |
| Principal  | -                | -             | -             | -           |
| Interest   | -                | -             | -             | -           |
| Total expenditures   | <u>26,632</u>    | <u>52,986</u> | <u>52,986</u> | <u>-</u>    |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -             | -             | -           |
| Other financing sources (uses):                                    |                  |               |               |             |
| Operating transfers  | -                | -             | -             | -           |
| Designated cash  | -                | -             | -             | -           |
| Total other financing sources (uses)                               | <u>-</u>         | <u>-</u>      | <u>-</u>      | <u>-</u>    |
| Net change in fund balances  | -                | -             | -             | -           |
| Cash balance, beginning of year                                    | -                | -             | -             | -           |
| Prior period voided check  | -                | -             | -             | -           |
| Cash balance, beginning of year restated                           | <u>-</u>         | <u>-</u>      | <u>-</u>      | <u>-</u>    |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |               | \$ -          |             |
| Adjustment to revenues for accruals & other deferrals              |                  |               | -             |             |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |               | -             |             |
| Net change in fund balance (GAAP Basis)                            |                  |               | <u>\$ -</u>   |             |

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



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - IDEA-B Entitlement Stimulus - 24206  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |               | Actual        | Variance    |
|--|------------------|---------------|---------------|-------------|
|  | Original         | Final         |               |             |
| Revenue:   |                  |               |               |             |
| Local and county sources   | \$ -             | \$ -          | \$ -          | \$ -        |
| State sources  | -                | -             | -             | -           |
| Federal sources  | -                | 38,729        | 38,729        | -           |
| Interest   | -                | -             | -             | -           |
| <b>Total revenues</b>  | <b>-</b>         | <b>38,729</b> | <b>38,729</b> | <b>-</b>    |
| Expenditures:  |                  |               |               |             |
| Current operating:   |                  |               |               |             |
| Instruction  | -                | 21,403        | 21,403        | -           |
| Support services:  |                  |               |               |             |
| Students   | -                | -             | -             | -           |
| Instruction  | -                | -             | -             | -           |
| General administration   | -                | -             | -             | -           |
| School administration  | -                | -             | -             | -           |
| Central services   | -                | -             | -             | -           |
| Operation & maintenance of plant                                   | -                | -             | -             | -           |
| Student transportation   | -                | -             | -             | -           |
| Other support services   | -                | -             | -             | -           |
| Operation of non-instructional services                            |                  |               |               |             |
| Food services operations   | -                | -             | -             | -           |
| Capital outlay   | -                | 17,326        | 17,326        | -           |
| Debt service:  |                  |               |               |             |
| Principal  | -                | -             | -             | -           |
| Interest   | -                | -             | -             | -           |
| <b>Total expenditures</b>  | <b>-</b>         | <b>38,729</b> | <b>38,729</b> | <b>-</b>    |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -             | -             | -           |
| Other financing sources (uses):                                    |                  |               |               |             |
| Operating transfers  | -                | -             | -             | -           |
| Designated cash  | -                | -             | -             | -           |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>      | <b>-</b>      | <b>-</b>    |
| Net change in fund balances  | -                | -             | -             | -           |
| Cash balance, beginning of year                                    | -                | -             | -             | -           |
| Prior period voided check  | -                | -             | -             | -           |
| Cash balance, beginning of year restated                           | -                | -             | -             | -           |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u> |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |               | \$ -          |             |
| Adjustment to revenues for accruals & other deferrals              |                  |               | -             |             |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |               | -             |             |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |               | <u>\$ -</u>   |             |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - IDEA-B PreSchool Stimulus - 24209  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |       | Actual | Variance |
|--|------------------|-------|--------|----------|
|  | Original         | Final |        |          |
| Revenue:   |                  |       |        |          |
| Local and county sources   | \$ -             | \$ -  | \$ -   | \$ -     |
| State sources  | -                | -     | -      | -        |
| Federal sources  | -                | 1,457 | 1,457  | -        |
| Interest   | -                | -     | -      | -        |
| Total revenues   | -                | 1,457 | 1,457  | -        |
| Expenditures:  |                  |       |        |          |
| Current operating:   |                  |       |        |          |
| Instruction  | -                | 1,457 | 1,457  | -        |
| Support services:  |                  |       |        |          |
| Students   | -                | -     | -      | -        |
| Instruction  | -                | -     | -      | -        |
| General administration   | -                | -     | -      | -        |
| School administration  | -                | -     | -      | -        |
| Central services   | -                | -     | -      | -        |
| Operation & maintenance of plant                                   | -                | -     | -      | -        |
| Student transportation   | -                | -     | -      | -        |
| Other support services   | -                | -     | -      | -        |
| Operation of non-instructional services                            |                  |       |        |          |
| Food services operations   | -                | -     | -      | -        |
| Capital outlay   | -                | -     | -      | -        |
| Debt service:  |                  |       |        |          |
| Principal  | -                | -     | -      | -        |
| Interest   | -                | -     | -      | -        |
| Total expenditures   | -                | 1,457 | 1,457  | -        |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -     | -      | -        |
| Other financing sources (uses):                                    |                  |       |        |          |
| Operating transfers  | -                | -     | -      | -        |
| Designated cash  | -                | -     | -      | -        |
| Total other financing sources (uses)                               | -                | -     | -      | -        |
| Net change in fund balances  | -                | -     | -      | -        |
| Cash balance, beginning of year                                    | -                | -     | -      | -        |
| Prior period voided check  | -                | -     | -      | -        |
| Cash balance, beginning of year restated                           | -                | -     | -      | -        |
| Cash balance, end of year  | \$ -             | \$ -  | \$ -   | \$ -     |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |       | \$ -   |          |
| Adjustment to revenues for accruals & other deferrals              |                  |       | -      |          |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |       | -      |          |
| Net change in fund balance (GAAP Basis)                            |                  |       | \$ -   |          |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Rural Education Achievement Program - 25233  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |         | Actual    | Variance  |
|--|------------------|---------|-----------|-----------|
|  | Original         | Final   |           |           |
| Revenue:   |                  |         |           |           |
| Local and county sources   | \$ -             | \$ -    | \$ -      | \$ -      |
| State sources  | -                | -       | -         | -         |
| Federal sources  | -                | 13,164  | 13,164    | -         |
| Interest   | -                | -       | -         | -         |
| Total revenues   | -                | 13,164  | 13,164    | -         |
| Expenditures:  |                  |         |           |           |
| Current operating:   |                  |         |           |           |
| Instruction  | 4,624            | 17,788  | 7,557     | 10,231    |
| Support services:  |                  |         |           |           |
| Students   | -                | -       | -         | -         |
| Instruction  | -                | -       | -         | -         |
| General administration   | -                | -       | -         | -         |
| School administration  | -                | -       | -         | -         |
| Central services   | -                | -       | -         | -         |
| Operation & maintenance of plant                                   | -                | -       | -         | -         |
| Student transportation   | -                | -       | -         | -         |
| Other support services   | -                | -       | -         | -         |
| Operation of non-instructional services                            |                  |         |           |           |
| Food services operations   | -                | -       | -         | -         |
| Capital outlay   | -                | -       | -         | -         |
| Debt service:  |                  |         |           |           |
| Principal  | -                | -       | -         | -         |
| Interest   | -                | -       | -         | -         |
| Total expenditures   | 4,624            | 17,788  | 7,557     | 10,231    |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (4,624)          | (4,624) | 5,607     | 10,231    |
| Other financing sources (uses):                                    |                  |         |           |           |
| Operating transfers  | -                | -       | -         | -         |
| Designated cash  | 4,624            | 4,624   | -         | (4,624)   |
| Total other financing sources (uses)                               | 4,624            | 4,624   | -         | (4,624)   |
| Net change in fund balances  | -                | -       | 5,607     | 5,607     |
| Cash balance, beginning of year                                    | -                | -       | 4,624     | 4,624     |
| Prior period voided check  | -                | -       | -         | -         |
| Cash balance, beginning of year restated                           | -                | -       | 4,624     | 4,624     |
| Cash balance, end of year  | \$ -             | \$ -    | \$ 10,231 | \$ 10,231 |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |         | \$ 5,607  |           |
| Adjustment to revenues for accruals & other deferrals              |                  |         | -         |           |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |         | 1,589     |           |
| Net change in fund balance (GAAP Basis)                            |                  |         | \$ 7,196  |           |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - State Equalization Guarantee Federal Stimulus - 25250  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |                | Actual         | Variance        |
|--|------------------|----------------|----------------|-----------------|
|  | Original         | Final          |                |                 |
| Revenue:   |                  |                |                |                 |
| Local and county sources   | \$ -             | \$ -           | \$ -           | \$ -            |
| State sources  | -                | -              | -              | -               |
| Federal sources  | 121,106          | 149,575        | 126,407        | (23,168)        |
| Interest   | -                | -              | -              | -               |
| <b>Total revenues</b>  | <b>121,106</b>   | <b>149,575</b> | <b>126,407</b> | <b>(23,168)</b> |
| Expenditures:  |                  |                |                |                 |
| Current operating:   |                  |                |                |                 |
| Instruction  | 121,106          | 124,375        | 124,375        | -               |
| Support services:  |                  |                |                |                 |
| Students   | -                | -              | -              | -               |
| Instruction  | -                | -              | -              | -               |
| General administration   | -                | -              | -              | -               |
| School administration  | -                | -              | -              | -               |
| Central services   | -                | -              | -              | -               |
| Operation & maintenance of plant                                   | -                | 24,000         | 24,000         | -               |
| Student transportation   | -                | -              | -              | -               |
| Other support services   | -                | -              | -              | -               |
| Operation of non-instructional services                            |                  |                |                |                 |
| Food services operations   | -                | -              | -              | -               |
| Capital outlay   | -                | 1,200          | 1,200          | -               |
| Debt service:  |                  |                |                |                 |
| Principal  | -                | -              | -              | -               |
| Interest   | -                | -              | -              | -               |
| <b>Total expenditures</b>  | <b>121,106</b>   | <b>149,575</b> | <b>149,575</b> | <b>-</b>        |
| Excess (deficiency) of revenues over(under) expenditures           | -                | -              | (23,168)       | (23,168)        |
| Other financing sources (uses):                                    |                  |                |                |                 |
| Operating transfers  | -                | -              | 23,168         | 23,168          |
| Designated cash  | -                | -              | -              | -               |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>       | <b>23,168</b>  | <b>23,168</b>   |
| Net change in fund balances  | -                | -              | -              | -               |
| Cash balance, beginning of year                                    | -                | -              | -              | -               |
| Prior period voided check  | -                | -              | -              | -               |
| Cash balance, beginning of year restated                           | -                | -              | -              | -               |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>     |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |                | \$ -           |                 |
| Adjustment to revenues for accruals & other deferrals              |                  |                | -              |                 |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |                | -              |                 |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |                | <u>\$ -</u>    |                 |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Dual Credit Instructional Materials - 27103  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |       | Actual | Variance |
|--|------------------|-------|--------|----------|
|  | Original         | Final |        |          |
| Revenue:   |                  |       |        |          |
| Local and county sources   | \$ -             | \$ -  | \$ -   | \$ -     |
| State sources  | -                | 6,300 | 3,036  | (3,264)  |
| Federal sources  | -                | -     | -      | -        |
| Interest   | -                | -     | -      | -        |
| Total revenues   | -                | 6,300 | 3,036  | (3,264)  |
| Expenditures:  |                  |       |        |          |
| Current operating:   |                  |       |        |          |
| Instruction  | -                | 6,300 | 3,036  | 3,264    |
| Support services:  |                  |       |        |          |
| Students   | -                | -     | -      | -        |
| Instruction  | -                | -     | -      | -        |
| General administration   | -                | -     | -      | -        |
| School administration  | -                | -     | -      | -        |
| Central services   | -                | -     | -      | -        |
| Operation & maintenance of plant                                   | -                | -     | -      | -        |
| Student transportation   | -                | -     | -      | -        |
| Other support services   | -                | -     | -      | -        |
| Operation of non-instructional services                            |                  |       |        |          |
| Food services operations   | -                | -     | -      | -        |
| Capital outlay   | -                | -     | -      | -        |
| Debt service:  |                  |       |        |          |
| Principal  | -                | -     | -      | -        |
| Interest   | -                | -     | -      | -        |
| Total expenditures   | -                | 6,300 | 3,036  | 3,264    |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -     | -      | -        |
| Other financing sources (uses):                                    |                  |       |        |          |
| Operating transfers  | -                | -     | -      | -        |
| Designated cash  | -                | -     | -      | -        |
| Total other financing sources (uses)                               | -                | -     | -      | -        |
| Net change in fund balances  | -                | -     | -      | -        |
| Cash balance, beginning of year                                    | -                | -     | -      | -        |
| Prior period voided check  | -                | -     | -      | -        |
| Cash balance, beginning of year restated                           | -                | -     | -      | -        |
| Cash balance, end of year  | \$ -             | \$ -  | \$ -   | \$ -     |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |       | \$ -   |          |
| Adjustment to revenues for accruals & other deferrals              |                  |       | -      |          |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |       | -      |          |
| Net change in fund balance (GAAP Basis)                            |                  |       | \$ -   |          |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Go Student Library Funds 2008 - 2012 - 27105  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |              | Actual      | Variance       |
|--|------------------|--------------|-------------|----------------|
|  | Original         | Final        |             |                |
| Revenue:   |                  |              |             |                |
| Local and county sources   | \$ -             | \$ -         | \$ -        | \$ -           |
| State sources  | -                | 9,224        | -           | (9,224)        |
| Federal sources  | -                | -            | -           | -              |
| Interest   | -                | -            | -           | -              |
| <b>Total revenues</b>  | <b>-</b>         | <b>9,224</b> | <b>-</b>    | <b>(9,224)</b> |
| Expenditures:  |                  |              |             |                |
| Current operating:   |                  |              |             |                |
| Instruction  | -                | -            | -           | -              |
| Support services:  |                  |              |             |                |
| Students   | -                | -            | -           | -              |
| Instruction  | -                | 9,224        | -           | 9,224          |
| General administration   | -                | -            | -           | -              |
| School administration  | -                | -            | -           | -              |
| Central services   | -                | -            | -           | -              |
| Operation & maintenance of plant                                   | -                | -            | -           | -              |
| Student transportation   | -                | -            | -           | -              |
| Other support services   | -                | -            | -           | -              |
| Operation of non-instructional services                            |                  |              |             |                |
| Food services operations   | -                | -            | -           | -              |
| Capital outlay   | -                | -            | -           | -              |
| Debt service:  |                  |              |             |                |
| Principal  | -                | -            | -           | -              |
| Interest   | -                | -            | -           | -              |
| <b>Total expenditures</b>  | <b>-</b>         | <b>9,224</b> | <b>-</b>    | <b>9,224</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -            | -           | -              |
| Other financing sources (uses):                                    |                  |              |             |                |
| Operating transfers  | -                | -            | -           | -              |
| Designated cash  | -                | -            | -           | -              |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>     | <b>-</b>    | <b>-</b>       |
| Net change in fund balances  | -                | -            | -           | -              |
| Cash balance, beginning of year                                    | -                | -            | -           | -              |
| Prior period voided check  | -                | -            | -           | -              |
| Cash balance, beginning of year restated                           | -                | -            | -           | -              |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u>  | <u>\$ -</u> | <u>\$ -</u>    |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |              | \$ -        |                |
| Adjustment to revenues for accruals & other deferrals              |                  |              | -           |                |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |              | -           |                |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |              | <u>\$ -</u> |                |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Technology for Education PED - 27117  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |              | Actual       | Variance       |
|--|------------------|--------------|--------------|----------------|
|  | Original         | Final        |              |                |
| Revenue:   |                  |              |              |                |
| Local and county sources   | \$ -             | \$ -         | \$ -         | \$ -           |
| State sources  | -                | 1,620        | 1,514        | (106)          |
| Federal sources  | -                | -            | -            | -              |
| Interest   | -                | -            | -            | -              |
| <b>Total revenues</b>  | <b>-</b>         | <b>1,620</b> | <b>1,514</b> | <b>(106)</b>   |
| Expenditures:  |                  |              |              |                |
| Current operating:   |                  |              |              |                |
| Instruction  | -                | -            | -            | -              |
| Support services:  |                  |              |              |                |
| Students   | -                | -            | -            | -              |
| Instruction  | 1,722            | 3,342        | 1,306        | 2,036          |
| General administration   | -                | -            | -            | -              |
| School administration  | -                | -            | -            | -              |
| Central services   | -                | -            | -            | -              |
| Operation & maintenance of plant                                   | -                | -            | -            | -              |
| Student transportation   | -                | -            | -            | -              |
| Other support services   | -                | -            | -            | -              |
| Operation of non-instructional services                            |                  |              |              |                |
| Food services operations   | -                | -            | -            | -              |
| Capital outlay   | -                | -            | -            | -              |
| Debt service:  |                  |              |              |                |
| Principal  | -                | -            | -            | -              |
| Interest   | -                | -            | -            | -              |
| <b>Total expenditures</b>  | <b>1,722</b>     | <b>3,342</b> | <b>1,306</b> | <b>2,036</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (1,722)          | (1,722)      | 208          | 1,930          |
| Other financing sources (uses):                                    |                  |              |              |                |
| Operating transfers  | -                | -            | -            | -              |
| Designated cash  | 1,722            | 1,722        | -            | (1,722)        |
| <b>Total other financing sources (uses)</b>                        | <b>1,722</b>     | <b>1,722</b> | <b>-</b>     | <b>(1,722)</b> |
| Net change in fund balances  | -                | -            | 208          | 208            |
| Cash balance, beginning of year                                    | -                | -            | 1,722        | 1,722          |
| Prior period voided check  | -                | -            | -            | -              |
| Cash balance, beginning of year restated                           | -                | -            | 1,722        | 1,722          |
| Cash balance, end of year  | \$ -             | \$ -         | \$ 1,930     | \$ 1,930       |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |              | \$ 208       |                |
| Adjustment to revenues for accruals & other deferrals              |                  |              | (208)        |                |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |              | -            |                |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |              | <b>\$ -</b>  |                |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Computerized Learning - 27123  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |             | Actual        | Variance      |
|--|------------------|-------------|---------------|---------------|
|  | Original         | Final       |               |               |
| Revenue:   |                  |             |               |               |
| Local and county sources   | \$ -             | \$ -        | \$ -          | \$ -          |
| State sources  | -                | -           | -             | -             |
| Federal sources  | -                | -           | -             | -             |
| Interest   | -                | -           | -             | -             |
| <b>Total revenues</b>  | <b>-</b>         | <b>-</b>    | <b>-</b>      | <b>-</b>      |
| Expenditures:  |                  |             |               |               |
| Current operating:   |                  |             |               |               |
| Instruction  | -                | -           | -             | -             |
| Support services:  |                  |             |               |               |
| Students   | -                | -           | -             | -             |
| Instruction  | -                | -           | -             | -             |
| General administration   | -                | -           | -             | -             |
| School administration  | -                | -           | -             | -             |
| Central services   | -                | -           | -             | -             |
| Operation & maintenance of plant                                   | -                | -           | -             | -             |
| Student transportation   | -                | -           | -             | -             |
| Other support services   | -                | -           | -             | -             |
| Operation of non-instructional services                            |                  |             |               |               |
| Food services operations   | -                | -           | -             | -             |
| Capital outlay   | -                | -           | -             | -             |
| Debt service:  |                  |             |               |               |
| Principal  | -                | -           | -             | -             |
| Interest   | -                | -           | -             | -             |
| <b>Total expenditures</b>  | <b>-</b>         | <b>-</b>    | <b>-</b>      | <b>-</b>      |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -           | -             | -             |
| Other financing sources (uses):                                    |                  |             |               |               |
| Operating transfers  | -                | -           | -             | -             |
| Designated cash  | -                | -           | -             | -             |
| <b>Total other financing sources (uses)</b>                        | <b>-</b>         | <b>-</b>    | <b>-</b>      | <b>-</b>      |
| Net change in fund balances  | -                | -           | -             | -             |
| Cash balance, beginning of year                                    | -                | -           | 400           | 400           |
| Prior period voided check  | -                | -           | -             | -             |
| Cash balance, beginning of year restated                           | -                | -           | 400           | 400           |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u> | <u>\$ 400</u> | <u>\$ 400</u> |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |             | \$ -          |               |
| Adjustment to revenues for accruals & other deferrals              |                  |             | -             |               |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |             | -             |               |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |             | <u>\$ -</u>   |               |

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



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Pre K Initiative - 27149  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |       | Actual     | Variance |
|--|------------------|-------|------------|----------|
|  | Original         | Final |            |          |
| Revenue:   |                  |       |            |          |
| Local and county sources   | \$ -             | \$ -  | \$ -       | \$ -     |
| State sources  | -                | -     | 11,341     | 11,341   |
| Federal sources  | -                | -     | -          | -        |
| Interest   | -                | -     | -          | -        |
| Total revenues   | -                | -     | 11,341     | 11,341   |
| Expenditures:  |                  |       |            |          |
| Current operating:   |                  |       |            |          |
| Instruction  | -                | -     | -          | -        |
| Support services:  |                  |       |            |          |
| Students   | -                | -     | -          | -        |
| Instruction  | -                | -     | -          | -        |
| General administration   | -                | -     | -          | -        |
| School administration  | -                | -     | -          | -        |
| Central services   | -                | -     | -          | -        |
| Operation & maintenance of plant                                   | -                | -     | -          | -        |
| Student transportation   | -                | -     | -          | -        |
| Other support services   | -                | -     | -          | -        |
| Operation of non-instructional services                            |                  |       |            |          |
| Food services operations   | -                | -     | -          | -        |
| Capital outlay   | -                | -     | -          | -        |
| Debt service:  |                  |       |            |          |
| Principal  | -                | -     | -          | -        |
| Interest   | -                | -     | -          | -        |
| Total expenditures   | -                | -     | -          | -        |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -     | 11,341     | 11,341   |
| Other financing sources (uses):                                    |                  |       |            |          |
| Operating transfers  | -                | -     | (11,341)   | (11,341) |
| Designated cash  | -                | -     | -          | -        |
| Total other financing sources (uses)                               | -                | -     | (11,341)   | (11,341) |
| Net change in fund balances  | -                | -     | -          | -        |
| Cash balance, beginning of year                                    | -                | -     | -          | -        |
| Prior period voided check  | -                | -     | -          | -        |
| Cash balance, beginning of year restated                           | -                | -     | -          | -        |
| Cash balance, end of year  | \$ -             | \$ -  | \$ -       | \$ -     |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |       | \$ -       |          |
| Adjustment to revenues for accruals & other deferrals              |                  |       | (7,489)    |          |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |       | -          |          |
| Net change in fund balance (GAAP Basis)                            |                  |       | \$ (7,489) |          |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Libraries - 27170  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |                 | Actual            | Variance          |
|--|------------------|-----------------|-------------------|-------------------|
|  | Original         | Final           |                   |                   |
| Revenue:   |                  |                 |                   |                   |
| Local and county sources   | \$ -             | \$ -            | \$ -              | \$ -              |
| State sources  | -                | -               | 9,236             | 9,236             |
| Federal sources  | -                | -               | -                 | -                 |
| Interest   | -                | -               | -                 | -                 |
| <b>Total revenues</b>  | <b>-</b>         | <b>-</b>        | <b>9,236</b>      | <b>9,236</b>      |
| Expenditures:  |                  |                 |                   |                   |
| Current operating:   |                  |                 |                   |                   |
| Instruction  | -                | -               | -                 | -                 |
| Support services:  |                  |                 |                   |                   |
| Students   | -                | -               | -                 | -                 |
| Instruction  | -                | -               | -                 | -                 |
| General administration   | -                | -               | -                 | -                 |
| School administration  | -                | -               | -                 | -                 |
| Central services   | -                | -               | -                 | -                 |
| Operation & maintenance of plant                                   | -                | -               | -                 | -                 |
| Student transportation   | -                | -               | -                 | -                 |
| Other support services   | -                | -               | -                 | -                 |
| Operation of non-instructional services                            |                  |                 |                   |                   |
| Food services operations   | -                | -               | -                 | -                 |
| Capital outlay   | -                | -               | -                 | -                 |
| Debt service:  |                  |                 |                   |                   |
| Principal  | -                | -               | -                 | -                 |
| Interest   | -                | -               | -                 | -                 |
| <b>Total expenditures</b>  | <b>-</b>         | <b>-</b>        | <b>-</b>          | <b>-</b>          |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -               | 9,236             | 9,236             |
| Other financing sources (uses):                                    |                  |                 |                   |                   |
| Operating transfers  | -                | -               | (9,236)           | (9,236)           |
| Designated cash  | 2,106            | 2,106           | -                 | (2,106)           |
| <b>Total other financing sources (uses)</b>                        | <b>2,106</b>     | <b>2,106</b>    | <b>(9,236)</b>    | <b>(11,342)</b>   |
| Net change in fund balances  | 2,106            | 2,106           | -                 | (2,106)           |
| Cash balance, beginning of year                                    | -                | -               | -                 | -                 |
| Prior period voided check  | -                | -               | -                 | -                 |
| Cash balance, beginning of year restated                           | -                | -               | -                 | -                 |
| Cash balance, end of year  | <u>\$ 2,106</u>  | <u>\$ 2,106</u> | <u>\$ -</u>       | <u>\$ (2,106)</u> |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |                 | \$ -              |                   |
| Adjustment to revenues for accruals & other deferrals              |                  |                 | (5,433)           |                   |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |                 | -                 |                   |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |                 | <u>\$ (5,433)</u> |                   |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - Library Book - 27549  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |             | Actual          | Variance     |
|--|------------------|-------------|-----------------|--------------|
|  | Original         | Final       |                 |              |
| Revenue:   |                  |             |                 |              |
| Local and county sources   | \$ -             | \$ -        | \$ -            | \$ -         |
| State sources  | 453              | 453         | -               | (453)        |
| Federal sources  | -                | -           | -               | -            |
| Interest   | -                | -           | -               | -            |
| Total revenues   | <u>453</u>       | <u>453</u>  | <u>-</u>        | <u>(453)</u> |
| Expenditures:  |                  |             |                 |              |
| Current operating:   |                  |             |                 |              |
| Instruction  | -                | -           | -               | -            |
| Support services:  |                  |             |                 |              |
| Students   | -                | -           | -               | -            |
| Instruction  | 453              | 453         | 453             | -            |
| General administration   | -                | -           | -               | -            |
| School administration  | -                | -           | -               | -            |
| Central services   | -                | -           | -               | -            |
| Operation & maintenance of plant                                   | -                | -           | -               | -            |
| Student transportation   | -                | -           | -               | -            |
| Other support services   | -                | -           | -               | -            |
| Operation of non-instructional services                            |                  |             |                 |              |
| Food services operations   | -                | -           | -               | -            |
| Capital outlay   | -                | -           | -               | -            |
| Debt service:  |                  |             |                 |              |
| Principal  | -                | -           | -               | -            |
| Interest   | -                | -           | -               | -            |
| Total expenditures   | <u>453</u>       | <u>453</u>  | <u>453</u>      | <u>-</u>     |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -           | (453)           | (453)        |
| Other financing sources (uses):                                    |                  |             |                 |              |
| Operating transfers  | -                | -           | -               | -            |
| Designated cash  | -                | -           | -               | -            |
| Total other financing sources (uses)                               | <u>-</u>         | <u>-</u>    | <u>-</u>        | <u>-</u>     |
| Net change in fund balances  | -                | -           | (453)           | (453)        |
| Cash balance, beginning of year                                    | -                | -           | 453             | 453          |
| Prior period voided check  | -                | -           | -               | -            |
| Cash balance, beginning of year restated                           | <u>-</u>         | <u>-</u>    | <u>453</u>      | <u>453</u>   |
| Cash balance, end of year  | <u>\$ -</u>      | <u>\$ -</u> | <u>\$ -</u>     | <u>\$ -</u>  |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |             | \$ (453)        |              |
| Adjustment to revenues for accruals & other deferrals              |                  |             | -               |              |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |             | -               |              |
| Net change in fund balance (GAAP Basis)                            |                  |             | <u>\$ (453)</u> |              |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - School Based Health Center - 29130  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |                | Actual             | Variance         |
|--|------------------|----------------|--------------------|------------------|
|  | Original         | Final          |                    |                  |
| Revenue:   |                  |                |                    |                  |
| Local and county sources   | \$ -             | \$ -           | \$ -               | \$ -             |
| State sources  | 60,000           | 60,000         | 60,665             | 665              |
| Federal sources  | -                | -              | -                  | -                |
| Interest   | -                | -              | -                  | -                |
| <b>Total revenues</b>  | <b>60,000</b>    | <b>60,000</b>  | <b>60,665</b>      | <b>665</b>       |
| Expenditures:  |                  |                |                    |                  |
| Current operating:   |                  |                |                    |                  |
| Instruction  | -                | -              | -                  | -                |
| Support services:  |                  |                |                    |                  |
| Students   | 76,881           | 76,881         | 46,048             | 30,833           |
| Instruction  | -                | -              | -                  | -                |
| General administration   | -                | -              | -                  | -                |
| School administration  | -                | -              | -                  | -                |
| Central services   | -                | -              | -                  | -                |
| Operation & maintenance of plant                                   | -                | -              | -                  | -                |
| Student transportation   | -                | -              | -                  | -                |
| Other support services   | -                | -              | -                  | -                |
| Operation of non-instructional services                            |                  |                |                    |                  |
| Food services operations   | -                | -              | -                  | -                |
| Capital outlay   | 100,000          | 100,000        | 100,000            | -                |
| Debt service:  |                  |                |                    |                  |
| Principal  | -                | -              | -                  | -                |
| Interest   | -                | -              | -                  | -                |
| <b>Total expenditures</b>  | <b>176,881</b>   | <b>176,881</b> | <b>146,048</b>     | <b>30,833</b>    |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (116,881)        | (116,881)      | (85,383)           | 31,498           |
| Other financing sources (uses):                                    |                  |                |                    |                  |
| Operating transfers  | -                | -              | -                  | -                |
| Designated cash  | 116,881          | 116,881        | -                  | (116,881)        |
| <b>Total other financing sources (uses)</b>                        | <b>116,881</b>   | <b>116,881</b> | <b>-</b>           | <b>(116,881)</b> |
| Net change in fund balances  | -                | -              | (85,383)           | (85,383)         |
| Cash balance, beginning of year                                    | -                | -              | 113,834            | 113,834          |
| Prior period voided check  | -                | -              | -                  | -                |
| Cash balance, beginning of year restated                           | -                | -              | 113,834            | 113,834          |
| Cash balance, end of year  | \$ -             | \$ -           | \$ 28,451          | \$ 28,451        |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |                | \$ (85,383)        |                  |
| Adjustment to revenues for accruals & other deferrals              |                  |                | (6,280)            |                  |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |                | -                  |                  |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |                | <b>\$ (91,663)</b> |                  |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Special Revenue Fund - SBHC Value Options - 29131  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |               | Actual            | Variance        |
|--|------------------|---------------|-------------------|-----------------|
|  | Original         | Final         |                   |                 |
| Revenue:   |                  |               |                   |                 |
| Local and county sources   | \$ -             | \$ -          | \$ -              | \$ -            |
| State sources  | -                | -             | -                 | -               |
| Federal sources  | -                | -             | -                 | -               |
| Interest   | -                | -             | -                 | -               |
| <b>Total revenues</b>  | <b>-</b>         | <b>-</b>      | <b>-</b>          | <b>-</b>        |
| Expenditures:  |                  |               |                   |                 |
| Current operating:   |                  |               |                   |                 |
| Instruction  | -                | -             | -                 | -               |
| Support services:  |                  |               |                   |                 |
| Students   | 30,011           | 30,011        | 12,270            | 17,741          |
| Instruction  | -                | -             | -                 | -               |
| General administration   | -                | -             | -                 | -               |
| School administration  | -                | -             | -                 | -               |
| Central services   | -                | -             | -                 | -               |
| Operation & maintenance of plant                                   | -                | -             | -                 | -               |
| Student transportation   | -                | -             | -                 | -               |
| Other support services   | -                | -             | -                 | -               |
| Operation of non-instructional services                            |                  |               |                   |                 |
| Food services operations   | -                | -             | -                 | -               |
| Capital outlay   | -                | -             | -                 | -               |
| Debt service:  |                  |               |                   |                 |
| Principal  | -                | -             | -                 | -               |
| Interest   | -                | -             | -                 | -               |
| <b>Total expenditures</b>  | <b>30,011</b>    | <b>30,011</b> | <b>12,270</b>     | <b>17,741</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (30,011)         | (30,011)      | (12,270)          | 17,741          |
| Other financing sources (uses):                                    |                  |               |                   |                 |
| Operating transfers  | -                | -             | -                 | -               |
| Designated cash  | 30,011           | 30,011        | -                 | (30,011)        |
| <b>Total other financing sources (uses)</b>                        | <b>30,011</b>    | <b>30,011</b> | <b>-</b>          | <b>(30,011)</b> |
| Net change in fund balances  | -                | -             | (12,270)          | (12,270)        |
| Cash balance, beginning of year                                    | -                | -             | 29,049            | 29,049          |
| Prior period voided check  | -                | -             | -                 | -               |
| Cash balance, beginning of year restated                           | -                | -             | 29,049            | 29,049          |
| Cash balance, end of year  | \$ -             | \$ -          | \$ 16,779         | \$ 16,779       |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |               | \$ (12,270)       |                 |
| Adjustment to revenues for accruals & other deferrals              |                  |               | 8,657             |                 |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |               | -                 |                 |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |               | <b>\$ (3,613)</b> |                 |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
REC Special Revenue Fund - 21st Century Learning Centers - 24119  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |        | Actual | Variance |
|--|------------------|--------|--------|----------|
|  | Original         | Final  |        |          |
| Revenue:   |                  |        |        |          |
| Local and county sources   | \$ -             | \$ -   | \$ -   | \$ -     |
| State sources  | -                | -      | -      | -        |
| Federal sources  | -                | 44,831 | 44,831 | -        |
| Interest   | -                | -      | -      | -        |
| Total revenues   | -                | 44,831 | 44,831 | -        |
| Expenditures:  |                  |        |        |          |
| Current operating:   |                  |        |        |          |
| Instruction  | -                | -      | -      | -        |
| Support services:  |                  |        |        |          |
| Students   | -                | 44,831 | 44,831 | -        |
| Instruction  | -                | -      | -      | -        |
| General administration   | -                | -      | -      | -        |
| School administration  | -                | -      | -      | -        |
| Central services   | -                | -      | -      | -        |
| Operation & maintenance of plant                                   | -                | -      | -      | -        |
| Student transportation   | -                | -      | -      | -        |
| Other support services   | -                | -      | -      | -        |
| Operation of non-instructional services                            |                  |        |        |          |
| Food services operations   | -                | -      | -      | -        |
| Capital outlay   | -                | -      | -      | -        |
| Debt service:  |                  |        |        |          |
| Principal  | -                | -      | -      | -        |
| Interest   | -                | -      | -      | -        |
| Total expenditures   | -                | 44,831 | 44,831 | -        |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -      | -      | -        |
| Other financing sources (uses):                                    |                  |        |        |          |
| Operating transfers  | -                | -      | -      | -        |
| Designated cash  | -                | -      | -      | -        |
| Total other financing sources (uses)                               | -                | -      | -      | -        |
| Net change in fund balances  | -                | -      | -      | -        |
| Cash balance, beginning of year                                    | -                | -      | -      | -        |
| Prior period voided check  | -                | -      | -      | -        |
| Cash balance, beginning of year restated                           | -                | -      | -      | -        |
| Cash balance, end of year  | \$ -             | \$ -   | \$ -   | \$ -     |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |        | \$ -   |          |
| Adjustment to revenues for accruals & other deferrals              |                  |        | -      |          |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |        | -      |          |
| Net change in fund balance (GAAP Basis)                            |                  |        | \$ -   |          |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
REC Special Revenue Fund - State Directed Activities - 27200  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |        | Actual | Variance |
|--|------------------|--------|--------|----------|
|  | Original         | Final  |        |          |
| Revenue:   |                  |        |        |          |
| Local and county sources   | \$ -             | \$ -   | \$ -   | \$ -     |
| State sources  | -                | 28,378 | 28,378 | -        |
| Federal sources  | -                | -      | -      | -        |
| Interest   | -                | -      | -      | -        |
| Total revenues   | -                | 28,378 | 28,378 | -        |
| Expenditures:  |                  |        |        |          |
| Current operating:   |                  |        |        |          |
| Instruction  | -                | -      | -      | -        |
| Support services:  |                  |        |        |          |
| Students   | -                | 28,378 | 28,378 | -        |
| Instruction  | -                | -      | -      | -        |
| General administration   | -                | -      | -      | -        |
| School administration  | -                | -      | -      | -        |
| Central services   | -                | -      | -      | -        |
| Operation & maintenance of plant                                   | -                | -      | -      | -        |
| Student transportation   | -                | -      | -      | -        |
| Other support services   | -                | -      | -      | -        |
| Operation of non-instructional services                            |                  |        |        |          |
| Food services operations   | -                | -      | -      | -        |
| Capital outlay   | -                | -      | -      | -        |
| Debt service:  |                  |        |        |          |
| Principal  | -                | -      | -      | -        |
| Interest   | -                | -      | -      | -        |
| Total expenditures   | -                | 28,378 | 28,378 | -        |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -      | -      | -        |
| Other financing sources (uses):                                    |                  |        |        |          |
| Operating transfers  | -                | -      | -      | -        |
| Designated cash  | -                | -      | -      | -        |
| Total other financing sources (uses)                               | -                | -      | -      | -        |
| Net change in fund balances  | -                | -      | -      | -        |
| Cash balance, beginning of year                                    | -                | -      | -      | -        |
| Prior period voided check  | -                | -      | -      | -        |
| Cash balance, beginning of year restated                           | -                | -      | -      | -        |
| Cash balance, end of year  | \$ -             | \$ -   | \$ -   | \$ -     |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |        | \$ -   |          |
| Adjustment to revenues for accruals & other deferrals              |                  |        | -      |          |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |        | -      |          |
| Net change in fund balance (GAAP Basis)                            |                  |        | \$ -   |          |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
REC Special Revenue Fund - Medicaid - 28144  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |       | Actual | Variance |
|--|------------------|-------|--------|----------|
|  | Original         | Final |        |          |
| Revenue:   |                  |       |        |          |
| Local and county sources   | \$ -             | \$ -  | \$ -   | \$ -     |
| State sources  | -                | 1,830 | 1,830  | -        |
| Federal sources  | -                | -     | -      | -        |
| Interest   | -                | -     | -      | -        |
| Total revenues   | -                | 1,830 | 1,830  | -        |
| Expenditures:  |                  |       |        |          |
| Current operating:   |                  |       |        |          |
| Instruction  | -                | -     | -      | -        |
| Support services:  |                  |       |        |          |
| Students   | -                | 1,830 | 1,830  | -        |
| Instruction  | -                | -     | -      | -        |
| General administration   | -                | -     | -      | -        |
| School administration  | -                | -     | -      | -        |
| Central services   | -                | -     | -      | -        |
| Operation & maintenance of plant                                   | -                | -     | -      | -        |
| Student transportation   | -                | -     | -      | -        |
| Other support services   | -                | -     | -      | -        |
| Operation of non-instructional services                            |                  |       |        |          |
| Food services operations   | -                | -     | -      | -        |
| Capital outlay   | -                | -     | -      | -        |
| Debt service:  |                  |       |        |          |
| Principal  | -                | -     | -      | -        |
| Interest   | -                | -     | -      | -        |
| Total expenditures   | -                | 1,830 | 1,830  | -        |
| Excess (deficiency) of revenues<br>over(under) expenditures        | -                | -     | -      | -        |
| Other financing sources (uses):                                    |                  |       |        |          |
| Operating transfers  | -                | -     | -      | -        |
| Designated cash  | -                | -     | -      | -        |
| Total other financing sources (uses)                               | -                | -     | -      | -        |
| Net change in fund balances  | -                | -     | -      | -        |
| Cash balance, beginning of year                                    | -                | -     | -      | -        |
| Prior period voided check  | -                | -     | -      | -        |
| Cash balance, beginning of year restated                           | -                | -     | -      | -        |
| Cash balance, end of year  | \$ -             | \$ -  | \$ -   | \$ -     |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |       | \$ -   |          |
| Adjustment to revenues for accruals & other deferrals              |                  |       | -      |          |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |       | -      |          |
| Net change in fund balance (GAAP Basis)                            |                  |       | \$ -   |          |

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



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## NONMAJOR GOVERNMENTAL FUNDS

### Capital Project Funds:

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

### Capital Improvements SB-9

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL  
Capital Projects Fund - Capital Improvements Senate Bill Nine - 31700  
Statement of Revenues, Expenditures, and Changes in Cash  
Balance - Budget and Actual (Non - GAAP Budgetary Basis)  
For the year ended June 30, 2010

|  | Budgeted Amounts |                | Actual             | Variance         |
|--|------------------|----------------|--------------------|------------------|
|  | Original         | Final          |                    |                  |
| Revenue:   |                  |                |                    |                  |
| Local and county sources   | \$ 21,448        | \$ 21,448      | \$ 20,830          | \$ (618)         |
| State sources  | 114,001          | 159,400        | 59,409             | (99,991)         |
| Federal sources  | -                | -              | -                  | -                |
| Interest   | -                | -              | -                  | -                |
| <b>Total revenues</b>  | <b>135,449</b>   | <b>180,848</b> | <b>80,239</b>      | <b>(100,609)</b> |
| Expenditures:  |                  |                |                    |                  |
| Current operating:   |                  |                |                    |                  |
| Instruction  | -                | -              | -                  | -                |
| Support services:  |                  |                |                    |                  |
| Students   | -                | -              | -                  | -                |
| Instruction  | -                | -              | -                  | -                |
| General administration   | 215              | 215            | 208                | 7                |
| School administration  | -                | -              | -                  | -                |
| Central services   | -                | -              | -                  | -                |
| Operation & maintenance of plant                                   | 55,374           | 55,374         | 55,374             | -                |
| Student transportation   | -                | -              | -                  | -                |
| Other support services   | -                | -              | -                  | -                |
| Operation of non-instructional services                            |                  |                |                    |                  |
| Food services operations   | -                | -              | -                  | -                |
| Capital outlay   | 123,031          | 170,520        | 57,464             | 113,056          |
| Debt service:  |                  |                |                    |                  |
| Principal  | -                | -              | -                  | -                |
| Interest   | -                | -              | -                  | -                |
| <b>Total expenditures</b>  | <b>178,620</b>   | <b>226,109</b> | <b>113,046</b>     | <b>113,063</b>   |
| Excess (deficiency) of revenues<br>over(under) expenditures        | (43,171)         | (45,261)       | (32,807)           | 12,454           |
| Other financing sources (uses):                                    |                  |                |                    |                  |
| Operating transfers  | -                | -              | 19,476             | 19,476           |
| Designated cash  | 45,261           | 45,261         | -                  | (45,261)         |
| <b>Total other financing sources (uses)</b>                        | <b>45,261</b>    | <b>45,261</b>  | <b>19,476</b>      | <b>(25,785)</b>  |
| Net change in fund balances  | 2,090            | -              | (13,331)           | (13,331)         |
| Cash balance, beginning of year                                    | -                | -              | 13,331             | 13,331           |
| Prior period voided check  | -                | -              | -                  | -                |
| Cash balance, beginning of year restated                           | -                | -              | 13,331             | 13,331           |
| Cash balance, end of year  | \$ 2,090         | \$ -           | \$ -               | \$ -             |
| Net change in fund balance (Non-GAAP Budgetary Basis)              |                  |                | \$ (13,331)        |                  |
| Adjustment to revenues for accruals & other deferrals              |                  |                | 233                |                  |
| Adjustment to expenditures for payables, prepaids & other accruals |                  |                | (967)              |                  |
| <b>Net change in fund balance (GAAP Basis)</b>                     |                  |                | <b>\$ (14,065)</b> |                  |

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

Supplementary Information  
Related to Fiduciary Funds

## AGENCY FUNDS

### Activity Trust Fund

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

STATE OF NEW MEXICO  
 SAN JON MUNICIPAL SCHOOL

Agency Funds  
 Statement of Changes in Assets and Liabilities

|                             | <u>Beginning<br/>Balance</u> | <u>Additions</u> | <u>Deductions</u> | <u>Ending<br/>Balance</u> |
|-----------------------------|------------------------------|------------------|-------------------|---------------------------|
| <b><u>ASSETS</u></b>        |                              |                  |                   |                           |
| Student activity groups     | \$ 46,975                    | \$ 51,090        | \$ 49,194         | \$ 48,871                 |
| Total assets                | <u>\$ 46,975</u>             | <u>\$ 51,090</u> | <u>\$ 49,194</u>  | <u>\$ 48,871</u>          |
| <b><u>LIABILITIES</u></b>   |                              |                  |                   |                           |
| Funds handled on behalf of: |                              |                  |                   |                           |
| Student activity groups     | \$ 46,975                    | \$ 51,090        | \$ 49,194         | \$ 48,074                 |
| Accounts payable            | <u>-</u>                     | <u>-</u>         | <u>-</u>          | <u>797</u>                |
| Total liabilities           | <u>\$ 46,975</u>             | <u>\$ 51,090</u> | <u>\$ 49,194</u>  | <u>\$ 48,871</u>          |

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

STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Agency Funds - Activity  
Statement of Changes in Assets and Liabilities  
June 30, 2010

|                          | <u>Beginning<br/>Balance</u> | <u>Additions</u>        | <u>Deductions</u>       | <u>Ending<br/>Balance</u> |
|--------------------------|------------------------------|-------------------------|-------------------------|---------------------------|
| <b>ASSETS</b>            |                              |                         |                         |                           |
| Class of 2007            | \$ 168                       | \$ -                    | \$ 168                  | \$ -                      |
| Class of 2008            | 135                          | -                       | 135                     | -                         |
| Class of 2009            | 354                          | -                       | 354                     | -                         |
| Class of 2010            | 1,387                        | 823                     | 1,808                   | 402                       |
| Class of 2011            | 4,309                        | 3,170                   | 6,401                   | 1,078                     |
| Class of 2012            | 872                          | 181                     | -                       | 1,053                     |
| Class of 2013            | 2,470                        | 164                     | -                       | 2,634                     |
| Class of 2014            | 789                          | 131                     | 111                     | 809                       |
| Class of 2015            | 1,767                        | 215                     | -                       | 1,982                     |
| Class of 2016            | 1,365                        | 182                     | -                       | 1,547                     |
| Class of 2017            | 749                          | 117                     | -                       | 866                       |
| Class of 2018            | 734                          | 175                     | -                       | 909                       |
| Class of 2019            | 475                          | 43                      | 21                      | 497                       |
| Class of 2020            | 226                          | 133                     | -                       | 359                       |
| Class of 2021            | 228                          | 746                     | -                       | 974                       |
| Class of 2022            | -                            | 405                     | -                       | 405                       |
| General                  | 3,427                        | 12,254                  | 11,586                  | 4,095                     |
| Annual                   | 4,164                        | 4,161                   | 2,793                   | 5,532                     |
| 100 + Student Meals      | 530                          | -                       | -                       | 530                       |
| Cheerleaders             | 1,169                        | 1,344                   | 1,725                   | 788                       |
| Library                  | 127                          | 1,620                   | 1,595                   | 152                       |
| National Honor Society   | -                            | 98                      | -                       | 98                        |
| BPA                      | 481                          | -                       | -                       | 481                       |
| Special Travel           | 1,364                        | 842                     | 350                     | 1,856                     |
| Student Council          | 1,681                        | 700                     | 1,021                   | 1,360                     |
| Concessions              | 1,759                        | 17,632                  | 12,132                  | 7,259                     |
| FFA                      | 3,434                        | 5,604                   | 8,197                   | 841                       |
| Bidegain                 | 3,578                        | 290                     | 576                     | 3,292                     |
| Science                  | 2,596                        | 60                      | -                       | 2,656                     |
| Basketball               | 1,137                        | -                       | 221                     | 916                       |
| CD                       | 5,500                        | -                       | -                       | 5,500                     |
|                          | <u>5,500</u>                 | <u>-</u>                | <u>-</u>                | <u>5,500</u>              |
| <b>Total assets</b>      | <b><u>\$ 46,975</u></b>      | <b><u>\$ 51,090</u></b> | <b><u>\$ 49,194</u></b> | <b><u>\$ 48,871</u></b>   |
| <b>LIABILITIES</b>       |                              |                         |                         |                           |
| Due to student groups    | \$ 46,975                    | \$ 51,090               | \$ 49,194               | \$ 48,074                 |
| Accounts payable         | -                            | -                       | -                       | 797                       |
|                          | <u>-</u>                     | <u>-</u>                | <u>-</u>                | <u>797</u>                |
| <b>Total liabilities</b> | <b><u>\$ 46,975</u></b>      | <b><u>\$ 51,090</u></b> | <b><u>\$ 49,194</u></b> | <b><u>\$ 48,871</u></b>   |

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

Other Supplementary Information  
Supporting Schedules  
Cash Reconciliation



STATE OF NEW MEXICO  
SAN JON MUNICIPAL SCHOOL

Cash Reconciliation - All Funds  
For the year ended June 30, 2010

|                                | <u>Beginning Cash</u> | <u>Receipts</u>     | <u>Distributions</u>  | <u>Other</u> |
|--------------------------------|-----------------------|---------------------|-----------------------|--------------|
| San Jon Municipal School       |                       |                     |                       |              |
| Operational                    | \$ 187,973            | \$ 1,566,921        | \$ (1,614,568)        | \$ (10,207)  |
| Teacherage                     | 16,078                | 10,350              | (11,865)              | -            |
| Transportation                 | 8,971                 | 166,487             | (166,487)             | -            |
| Instructional Materials        | 2,362                 | 6,255               | (5,945)               | -            |
| Food Services                  | 10,614                | 58,662              | (59,923)              | -            |
| Athletics                      | 4,224                 | 10,117              | (9,561)               | -            |
| Federal Flowthrough            | -                     | 222,300             | (210,440)             | (11,860)     |
| Federal Direct                 | 4,624                 | 139,571             | (157,132)             | 23,168       |
| State Flowthrough              | 2,575                 | 25,127              | (4,795)               | (20,577)     |
| Local or State                 | 231,095               | 147,020             | (197,838)             | -            |
| REC-6                          | -                     | 75,039              | (75,039)              | -            |
| Bond Building                  | 451,658               | 1,823               | (203,366)             | -            |
| Capital Improvement SB-9       | 13,331                | 80,239              | (113,046)             | 19,476       |
| Debt Service                   | 44,888                | 98,746              | (90,808)              | -            |
|                                | <u>978,393</u>        | <u>2,608,657</u>    | <u>(2,920,813)</u>    | <u>-</u>     |
| Sub-total governmental funds   |                       |                     |                       |              |
| Student Activities             | <u>46,975</u>         | <u>51,090</u>       | <u>(49,194)</u>       | <u>-</u>     |
| Total San Jon Municipal School | <u>\$ 1,025,368</u>   | <u>\$ 2,659,747</u> | <u>\$ (2,970,007)</u> | <u>\$ -</u>  |

| <u>Account Name</u>            | <u>Account Type</u> | <u>Bank Name</u>    | <u>Bank Amount</u> |
|--------------------------------|---------------------|---------------------|--------------------|
| San Jon Municipal School       |                     |                     |                    |
| Operational                    | Checking            | Citizens Bank       | \$ 175,066         |
| Teacherage                     | Checking            | Citizens Bank       | 14,563             |
| Transportation                 | Checking            | Citizens Bank       | 11,700             |
| Instructional Materials        | Checking            | Citizens Bank       | 2,672              |
| Food Services                  | Checking            | Citizens Bank       | 13,231             |
| Athletics                      | Checking            | First National Bank | 4,862              |
| Federal Flowthrough            | Checking            | Citizens Bank       | 933                |
| Federal Direct                 | Checking            | Citizens Bank       | 14,195             |
| State Flowthrough              | Checking            | Citizens Bank       | 2,330              |
| Local or State                 | Checking            | Citizens Bank       | 180,279            |
| Bond Building                  | Checking            | Citizens Bank       | 250,115            |
| Capital Improvement SB-9       | Checking            | Citizens Bank       | -                  |
| Debt Service                   | Checking            | Citizens Bank       | 49,097             |
| Student Activities             | Checking            | Citizens Bank       | 55,826             |
| Total San Jon Municipal School |                     |                     | <u>\$ 774,869</u>  |
| Total bank balances            |                     |                     | \$ 774,869         |
| Adjustment                     |                     |                     | -                  |
| Reconciling items              |                     |                     | <u>(59,761)</u>    |
| Report balance                 |                     |                     | <u>\$ 715,108</u>  |

| <u>Net Cash</u><br><u>End of Period</u> | <u>Adjustments to</u><br><u>the Report</u> | <u>Total Cash</u><br><u>on Report</u> |
|---|--|---------------------------------------|
| \$ 130,119                              | \$ -                                       | \$ 130,119                            |
| 14,563                                  | -  | 14,563                                |
| 8,971                                   | -  | 8,971                                 |
| 2,672                                   | -  | 2,672                                 |
| 9,353                                   | -  | 9,353                                 |
| 4,780                                   | -  | 4,780                                 |
| -                                       | -  | -                                     |
| 10,231                                  | -  | 10,231                                |
| 2,330                                   | -  | 2,330                                 |
| 180,277                                 | -  | 180,277                               |
| -                                       | -  | -                                     |
| 250,115                                 | -  | 250,115                               |
| -                                       | -  | -                                     |
| 52,826                                  | -  | 52,826                                |
| <u>666,237</u>                          | <u>-</u>                                   | <u>666,237</u>                        |
| <u>48,871</u>                           | <u>-</u>                                   | <u>48,871</u>                         |
| <u>\$ 715,108</u>                       | <u>\$ -</u>                                | <u>\$ 715,108</u>                     |

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## Compliance Section

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Report on Internal Control over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards*

Mr. Hector H. Balderas  
State Auditor of the State of New Mexico  
Board Members of the San Jon Municipal School District

Mr. Balderas and Members of the Board

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons statement of the General Fund and major special revenue funds activities of San Jon Municipal School District (District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents and have issued my report thereon dated October 21, 2010. I also have audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons for the Bond Building and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements and the budgetary comparison statements as of and for the year ended June 30, 2010, as listed in the table of contents. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis.

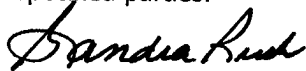
My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as described above. Nor did I identify deficiencies in internal control over financial reporting that I consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Districts' financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2010-1.

The San Jon Municipal School District's response to the finding identified in my audit is described in the accompanying schedule of findings and responses. I did not audit the District's response and, accordingly, I express no opinion on it.

This report is intended solely for the information and use of management, the school board, others within the District, New Mexico Public Education Department, Office of the State Auditor, the New Mexico Legislature, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.



Sandra Rush, CPA  
October 21, 2010

STATE OF NEW MEXICO  
San Jon Municipal School

Schedule of Findings and Responses  
June 30, 2010

Prior Year Audit Findings

None

Current Year Audit Findings

2010-1            Audit Report Late

Condition

The June 30, 2010 audit report was not filed timely as required by the State Auditors Rule NMAC 2.2.2.9.A.

Criteria

In accordance with the State Auditor Rule NMAC 2.2.2.9.A, the audited financial statements and other required documents are due by November 15, annually.

Cause

The audited financial statements and the required documents were not submitted by November 15, 2010.

Effect

The District is not in compliance with State Auditor Rule NMAC 2.2.2.9.A, for the year ended June 30, 2010.

Recommendation

The audit report should be submitted to the State Auditor by the November 15 deadline.

Response

The District agrees

Financial Statement Preparation

The financial statements were prepared by District personnel with assistance from Sandra Rush, CPA. The financial statements remain the responsibility of the District's management.

Exit Conference

The contents of this report were discussed with, Dale Bone, Board Secretary, Cynthia Lee, Board Member, Gary Salazar, Superintendent, Lucy Heddlesten, Business Manager, Julie Bryant, Audit Committee Member, and Sandra Rush, CPA, in an exit conference on November 15, 2010.