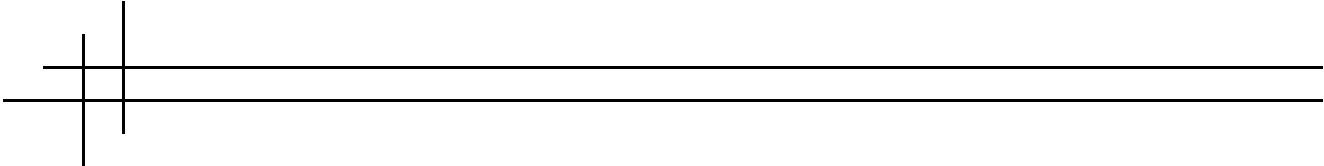




STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS

ANNUAL FINANCIAL REPORT
June 30, 2011

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



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SPRINGER MUNICIPAL SCHOOLS
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STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
Official Roster
June 30, 2011

BOARD OF EDUCATION

Danny Montoya	President
Joe Apodaca	Vice-President
Linda Baca	Secretary
Robert Tafoya	Member
Raughn Ramirez	Member

SCHOOL OFFICIALS

Zita Lopez	Superintendent
Nejla Munden	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Independent Auditor's Report

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the SPRINGER MUNICIPAL SCHOOLS

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue fund of SPRINGER MUNICIPAL SCHOOLS, (District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental and the budgetary comparisons for the major capital project fund, debt service fund and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2011, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund and major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2011, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major capital project fund, debt service fund and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2011, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the basic financial statements, and the combining and individual fund financial statements. The 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 our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

De'Aun Willoughby CPA PC

August 29, 2011

FINANCIAL SECTION

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 Government Wide-Statement of Net Assets
 June 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 671,417
Taxes Receivable	4,318
Due From Grantor	66,445
Inventory	1,630
Total Current Assets	<u>743,810</u>
Noncurrent Assets	
Capital Assets	11,233,018
Less: Accumulated Depreciation	<u>(5,184,059)</u>
Total Noncurrent Assets	<u>6,048,959</u>
Total Assets	<u>6,792,769</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	12,597
Deferred Revenue	19,069
Accrued Interest	30,221
Current Portion of Long-Term Debt	145,000
Total Current Liabilities	<u>206,887</u>
Noncurrent Liabilities	
Compensated Absences	6,841
Bonds and Notes, Net	1,317,996
Total Noncurrent Liabilities	<u>1,324,837</u>
Total Liabilities	<u>1,531,724</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	4,585,963
Restricted for:	
Capital Projects	176,112
Debt Service	115,630
Unrestricted	383,340
Total Net Assets	<u>\$ 5,261,045</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 Government Wide-Statement of Activities
 For the Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 1,947,099	\$ 34,762	\$ 207,509	\$ 0	\$ (1,704,828)
Support Services-Students	334,419	0	118,352	0	(216,067)
Support Services-Instruction	750	0	8,090	0	7,340
General Administration	171,681	0	40,352	0	(131,329)
School Administration	211,899	0	2,404	0	(209,495)
Central Services	79,430	0	0	0	(79,430)
Operation of Plant	468,086	0	0	0	(468,086)
Student Transportation	213,625	0	158,785	0	(54,840)
Food Services Operations	140,763	19,362	106,503	0	(14,898)
Interest on Long-Term Obligations	99,371	0	0	0	(99,371)
Total Governmental Activities	<u>\$ 3,667,123</u>	<u>\$ 54,124</u>	<u>\$ 641,995</u>	<u>\$ 0</u>	<u>(2,971,004)</u>
General Revenues					
Taxes					
					9,932
					58,158
					253,746
Federal and State aid not restricted to specific purpose					
					2,330,084
					178,680
Interest and investment earnings					
					1,514
Miscellaneous					
					56,209
					<u>2,888,323</u>
Change in Net Assets					
					(82,681)
Net Assets - beginning					
					<u>5,343,726</u>
Net Assets - ending					
					<u>\$ 5,261,045</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2011

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
ASSETS			
Cash and Cash Equivalents	\$ 100,562	\$ 4,925	\$ 6,915
Receivables			
Property Taxes	120	0	0
Due From Grantor	0	0	0
Interfund Balances	66,378	0	0
Inventory	0	0	0
Total Assets	<u>\$ 167,060</u>	<u>\$ 4,925</u>	<u>\$ 6,915</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 7,097	\$ 107	\$ 4,677
Interfund Balances	0	0	0
Deferred Revenue	0	0	0
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Total Liabilities	<u>7,097</u>	<u>107</u>	<u>4,677</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue	0	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Unassigned-General Fund	159,963	4,818	2,238
Total Fund Balances	<u>159,963</u>	<u>4,818</u>	<u>2,238</u>
Total Liabilities and Fund Balances	<u>\$ 167,060</u>	<u>\$ 4,925</u>	<u>\$ 6,915</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2011

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>
	Solar Pilot 29134	Bond Building 31100	Debt Service 41000
ASSETS			
Cash and Cash Equivalents	\$ 112,194	\$ 176,112	\$ 196,374
Receivables			
Property Taxes	0	0	3,225
Due From Grantor	0	0	0
Interfund Balances	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 112,194</u>	<u>\$ 176,112</u>	<u>\$ 199,599</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	0
Deferred Revenue	0	0	0
Current Portion Due			
Principal	0	0	75,000
Interest	0	0	8,969
Total Liabilities	<u>0</u>	<u>0</u>	<u>83,969</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue	112,194	0	0
Capital Projects	0	176,112	0
Debt Service	0	0	115,630
Assigned-Capital Projects	0	0	0
Unassigned-General Fund	0	0	0
Total Fund Balances	<u>112,194</u>	<u>176,112</u>	<u>115,630</u>
Total Liabilities and Fund Balances	<u>\$ 112,194</u>	<u>\$ 176,112</u>	<u>\$ 199,599</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2011

	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and Cash Equivalents	\$ 74,335	\$ 671,417
Receivables		
Property Taxes	973	4,318
Due From Grantor	66,445	66,445
Interfund Balances	0	66,378
Inventory	1,630	1,630
Total Assets	<u>\$ 143,383</u>	<u>\$ 810,188</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	\$ 716	\$ 12,597
Interfund Balances	66,378	66,378
Deferred Revenue	19,069	19,069
Current Portion Due		
Principal	0	75,000
Interest	0	8,969
Total Liabilities	<u>86,163</u>	<u>182,013</u>
 Fund Balances		
Nonspendable-Inventory	1,630	1,630
Restricted-Reported In		
Special Revenue	36,737	148,931
Capital Projects	0	176,112
Debt Service	9,285	124,915
Assigned-Capital Projects	9,568	9,568
Unassigned-General Fund	0	167,019
Total Fund Balances	<u>57,220</u>	<u>628,175</u>
 Total Liabilities and Fund Balances	 <u>\$ 143,383</u>	 <u>\$ 810,188</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2011

Total Fund Balance - Governmental Funds \$ 628,175

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

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

The cost of capital assets	\$ 11,233,018	
Accumulated depreciation is	<u>(5,184,059)</u>	6,048,959

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

Bonds payable	(1,490,000)	
Issue Costs	142,663	
Accumulated Amortization	(40,659)	
Accrued interest on bonds	(21,252)	
Compensated Absences	<u>(6,841)</u>	<u>(1,416,089)</u>

Total net assets - governmental activities	\$	<u><u>5,261,045</u></u>
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The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2011

	General Fund		
	Operational	Transportation	Instructional
	11000	13000	Materials 14000
Revenues			
Property Taxes	\$ 9,932	\$ 0	\$ 0
Investment Income	1,514	0	0
Fees	0	0	0
State & Local Grants	2,323,222	158,785	8,090
Federal Grants	6,862	0	0
Miscellaneous	47,339	8,350	0
Total Revenues	<u>2,388,869</u>	<u>167,135</u>	<u>8,090</u>
Expenditures			
Current			
Instruction	1,372,353	0	10,999
Support Services-Students	211,911	0	0
Support Services-Instruction	750	0	0
Support Services-General Administration	170,843	0	0
Support Services-School Administration	172,468	0	0
Central Services	78,754	0	0
Operation and Maintenance of Plant	362,351	0	0
Student Transportation	0	213,625	0
Food Services	27,486	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>2,396,916</u>	<u>213,625</u>	<u>10,999</u>
Excess (Deficiency) of Revenues Over Expenditures	(8,047)	(46,490)	(2,909)
Fund Balances at Beginning of Year	<u>168,010</u>	<u>51,308</u>	<u>5,147</u>
Fund Balance End of Year	<u>\$ 159,963</u>	<u>\$ 4,818</u>	<u>\$ 2,238</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2011

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>
	Solar Pilot 29134	Bond Building 31100	Debt Service 41000
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 252,636
Investment Income	0	0	0
Fees	0	0	0
State & Local Grants	112,194	0	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>112,194</u>	<u>0</u>	<u>252,636</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	2,560
Support Services-School Administration	0	0	0
Central Services	0	0	0
Operation and Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Services	0	0	0
Capital Outlay	0	412,905	0
Debt Service			
Principal	0	0	240,000
Interest	0	0	65,580
Total Expenditures	<u>0</u>	<u>412,905</u>	<u>308,140</u>
Excess (Deficiency) of Revenues Over Expenditures	112,194	(412,905)	(55,504)
Fund Balances at Beginning of Year	<u>0</u>	<u>589,017</u>	<u>171,134</u>
Fund Balance End of Year	<u>\$ 112,194</u>	<u>\$ 176,112</u>	<u>\$ 115,630</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2011

	Other Governmental Funds	Total Governmental Funds
Revenues		
Property Taxes	\$ 59,268	\$ 321,836
Investment Income	0	1,514
Fees	54,124	54,124
State & Local Grants	93,584	2,695,875
Federal Grants	448,022	454,884
Miscellaneous	520	56,209
Total Revenues	<u>655,518</u>	<u>3,584,442</u>
Expenditures		
Current		
Instruction	245,638	1,628,990
Support Services-Students	122,508	334,419
Support Services-Instruction	0	750
Support Services-General Administration	3,928	177,331
Support Services-School Administration	39,431	211,899
Central Services	0	78,754
Operation and Maintenance of Plant	105,000	467,351
Student Transportation	0	213,625
Food Services	117,301	144,787
Capital Outlay	34,262	447,167
Debt Service		
Principal	0	240,000
Interest	0	65,580
Total Expenditures	<u>668,068</u>	<u>4,010,653</u>
Excess (Deficiency) of Revenues Over Expenditures	(12,550)	(426,211)
Fund Balances at Beginning of Year	<u>69,770</u>	<u>1,054,386</u>
Fund Balance End of Year	<u>\$ 57,220</u>	<u>\$ 628,175</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2011

Excess (Deficiency) of Revenues Over Expenditures \$ (426,211)

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Assets and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

Depreciation expense	\$	(314,085)	
Capital Outlays		<u>447,167</u>	133,082

Bond issue costs are amortized in the Statement of Activities but are an expenditure in the governmental funds.

Amortized Bond Issue Costs		(16,870)	
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

		240,000	
--	--	---------	--

In the Statement of Activities, interest is accrued on outstanding bonds,

Accrued Interest, June 30, 2010		4,331	
Accrued Interest, June 30, 2011		<u>(21,252)</u>	(16,921)

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

Compensated Absences, June 30, 2010		11,080	
Compensated Absences, June 30, 2011		<u>(6,841)</u>	<u>4,239</u>

Changes in Net Assets of Governmental Activities		\$	<u><u>(82,681)</u></u>
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The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 10,287	\$ 10,287	\$ 10,074	\$ (213)
Investment Income	500	500	1,514	1,014
State Grants	2,534,041	2,320,777	2,323,222	2,445
Federal Grants	7,762	7,762	6,862	(900)
Miscellaneous	0	0	47,339	47,339
Total Revenues	<u>2,552,590</u>	<u>2,339,326</u>	<u>2,389,011</u>	<u>49,685</u>
Expenditures				
Instruction				
Personnel Services	944,111	902,202	886,580	15,622
Employee Benefits	314,764	309,498	292,883	16,615
Professional & Tech Services	19,800	23,700	22,223	1,477
Other Purchased Services	113,570	113,753	109,485	4,268
Supplies	28,321	65,036	61,167	3,869
Total Instruction	<u>1,420,566</u>	<u>1,414,189</u>	<u>1,372,338</u>	<u>41,851</u>
Support Services-Students				
Personnel Services	207,094	158,790	158,547	243
Employee Benefits	64,522	51,310	46,919	4,391
Professional & Tech Services	8,325	5,216	5,091	125
Other Purchased Services	500	500	318	182
Supplies	3,400	3,400	1,036	2,364
Total Support Services-Students	<u>283,841</u>	<u>219,216</u>	<u>211,911</u>	<u>7,305</u>
Support Services-Instruction				
Supplies	750	750	750	0
Total Support Services-Instruction	<u>750</u>	<u>750</u>	<u>750</u>	<u>0</u>
Support Services-General Administration				
Personnel Services	91,800	98,863	98,862	1
Employee Benefits	26,067	27,655	27,567	88
Professional & Tech Services	31,783	36,850	35,541	1,309
Other Purchased Services	10,500	10,500	7,359	3,141
Supplies	750	1,750	707	1,043
Total Support Services-General Administration	<u>160,900</u>	<u>175,618</u>	<u>170,036</u>	<u>5,582</u>

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-School Administration				
Personnel Services	\$ 130,592	\$ 130,592	\$ 130,592	\$ 0
Employee Benefits	43,066	43,066	41,629	1,437
Professional & Tech Services	500	500	0	500
Other Purchased Services	750	750	109	641
Supplies	400	400	138	262
Total Support Services-School Administration	<u>175,308</u>	<u>175,308</u>	<u>172,468</u>	<u>2,840</u>
Central Services				
Personnel Services	58,263	58,263	58,263	0
Employee Benefits	23,622	13,222	12,372	850
Professional & Tech Services	7,900	9,400	5,564	3,836
Other Purchased Services	100	850	682	168
Supplies	1,300	2,300	1,127	1,173
Total Central Services	<u>91,185</u>	<u>84,035</u>	<u>78,008</u>	<u>6,027</u>
Operation & Maintenance of Plant				
Personnel Services	86,701	87,768	84,492	3,276
Employee Benefits	47,176	42,440	38,440	4,000
Professional & Tech Services	0	1,000	527	473
Purchased Property Services	178,000	146,609	135,228	11,381
Other Purchased Services	105,457	112,024	96,952	15,072
Supplies	2,500	2,500	1,783	717
Total Operation & Maintenance of Plant	<u>419,834</u>	<u>392,341</u>	<u>357,422</u>	<u>34,919</u>
Food Service Operations				
Personnel Services	5,029	5,029	5,029	0
Employee Benefits	5,079	5,079	4,738	341
Professional & Tech Services	100	100	80	20
Other Purchased Services	50	250	205	45
Supplies	47,900	33,400	16,834	16,566
Total Food Service Operations	<u>58,158</u>	<u>43,858</u>	<u>26,886</u>	<u>16,972</u>
Total Expenditures	<u>2,610,542</u>	<u>2,505,315</u>	<u>2,389,819</u>	<u>115,496</u>
Excess (Deficiency) of Revenues Over Expenditures	(57,952)	(165,989)	(808)	165,181
Cash Balance Beginning of Year	<u>167,748</u>	<u>167,748</u>	<u>167,748</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 109,796</u>	<u>\$ 1,759</u>	<u>\$ 166,940</u>	<u>\$ 165,181</u>

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		Actual	Variance
	<u>Original</u>	<u>Final</u>	(Budgetary Basis)	with Final Budget- Over (Under)
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (808)	
Net Change in Taxes Receivable			(142)	
Net Change in Accounts Payable			(7,097)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (8,047)</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
GENERAL FUND-TRANSPORTATION-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 190,276	\$ 184,438	\$ 158,785	\$ (25,653)
Miscellaneous	0	0	8,350	8,350
Total Revenues	<u>190,276</u>	<u>184,438</u>	<u>167,135</u>	<u>(17,303)</u>
Expenditures				
Student Transportation				
Personnel Services	62,009	64,059	64,057	2
Employee Benefits	53,414	48,530	48,525	5
Professional & Tech Services	0	3,481	3,481	0
Purchased Property Services	39,357	64,803	59,891	4,912
Other Purchased Services	20,865	20,155	20,153	2
Supplies	14,631	14,095	14,094	1
Supply Assets	0	3,318	3,317	1
Total Student Transportation	<u>190,276</u>	<u>218,441</u>	<u>213,518</u>	<u>4,923</u>
Total Expenditures	<u>190,276</u>	<u>218,441</u>	<u>213,518</u>	<u>4,923</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(34,003)	(46,383)	(12,380)
Cash Balance Beginning of Year	<u>51,308</u>	<u>51,308</u>	<u>51,308</u>	<u>0</u>
Cash Balance End of Year	\$ <u>51,308</u>	\$ <u>17,305</u>	\$ <u>4,925</u>	\$ <u>(12,380)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (46,383)	
Net change in Accounts Payable			(107)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(46,490)</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 7,283	\$ 7,283	\$ 8,091	\$ 808
Total Revenues	<u>7,283</u>	<u>7,283</u>	<u>8,091</u>	<u>808</u>
Expenditures				
Instruction				
Supplies	7,283	12,430	6,323	6,107
Total Instruction	<u>7,283</u>	<u>12,430</u>	<u>6,323</u>	<u>6,107</u>
Total Expenditures	<u>7,283</u>	<u>12,430</u>	<u>6,323</u>	<u>6,107</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(5,147)	1,768	6,915
Cash Balance Beginning of Year	<u>5,147</u>	<u>5,147</u>	<u>5,147</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 5,147</u>	<u>\$ 0</u>	<u>\$ 6,915</u>	<u>\$ 6,915</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,768	
Net Change in Accounts Payable			<u>(4,677)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (2,909)</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-SOLAR PILOT-29134
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 0	\$ 0	\$ 112,194	\$ 112,194
Total Revenues	<u>0</u>	<u>0</u>	<u>112,194</u>	<u>112,194</u>
Expenditures				
Support Services-Students				
Personnel Services	0	0	0	0
Employee Benefits	0	0	0	0
Professional & Tech Services	0	0	0	0
Other Purchased Services	0	0	0	0
Supplies	0	0	0	0
Total Support Services-Students	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	112,194	112,194
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 112,194</u>	<u>\$ 112,194</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>112,194</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>112,194</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
Statement of Fiduciary Assets and Liabilities-Agency Funds
June 30, 2011

	<u>Agency Funds</u>
Assets	
Cash in Banks	\$ 53,619
Investments	<u>163,864</u>
Total Assets	<u>\$ 217,483</u>
Liabilities	
Deposits Held for Others	\$ 217,483
Total Liabilities	<u>\$ 217,483</u>

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

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

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

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt.

The District has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

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

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

Governmental Funds

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

General Fund - The General Fund consist of three sub funds. The first is the Operational Fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The second is the Teacherage Fund of the District and accounts for rental properties that are rented to teachers and administrators that work at the school. The Transportation Fund includes a state grant to provide transportation for students in the District. The Instructional Materials Fund accounts for a state grant to provide text books for students in the District.

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

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

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

Fiduciary Fund Type

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District.

The Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This account is accounted for using the economic resources measurement focus and the accrual basis of accounting.

Major Funds

The District reports the following major governmental funds:

GENERAL FUND (11000)(13000)(14000)

The General Fund consist of three sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

SPECIAL REVENUE FUND

Solar Pilot (29134). To account for revenue received to fund a solar pilot project. The fund was created by grant provisions.

Bond Building (31100). The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

Debt Service Fund (41000). To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

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

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

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for services to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions, Transportation, Food Service, Special Revenue Funds such as special education as well as others, and 3) program specific capital grants and contributions.

Fund Financial Statements (FFS)

Governmental Funds

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

Revenues

Taxes. 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.

Grants. Government mandated nonexchange transaction and voluntary nonexchange transactions. Recipients should recognize revenues in the period when all applicable eligibility requirements have been met and the resources are available.

Revenue Recognition for Grants.

Eligibility requirements for government-mandated and voluntary nonexchange transaction comprise one or more of the following:

1. Required characteristics of recipients. The recipient has the characteristics specified by the provider (are required to be school districts).
2. Time requirements. Time requirements specified by enabling legislation or the provider have been met (period when the resources are required to be used).
3. Reimbursements. The provider offers resources on a reimbursement ("expenditure-driven") basis and the recipient has incurred allowable costs under the applicable program.
4. Contingencies. The provider's offer of resources is contingent upon a specified action of the recipient and that action has occurred (the recipient has raised the matching funds).

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

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

Expenditures

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

Other Financing Sources (Uses)

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

Basis of Budgeting

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

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

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

1. Prior to April 15, (unless a later date is fixed by the Superintendent of Public Instruction) the local school board submits to the District Budget Planning Unit (SBPU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the 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 in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBPU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the 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 provisions of Chapter 6, Article 10, paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

Investments

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

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

(b) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.

(c) in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Receivables and Payables

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

Property Taxes

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

Elimination and Reclassifications of Certain Receivables and Payables

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

Inventories and Prepaid Items

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Cafeteria Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both District-wide and fund financial statements.

Capital Assets

Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

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

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

Capital Leases

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

Short -Term Debt

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

Long-Term Liabilities

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

Restricted Net Assets

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

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

Imposed by law through constitutional provisions or enabling legislation.

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

Fund Balances of Fund Financial Statements

Nonspendable fund balance represents assets that are other than cash such as inventory.

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

Unassigned fund balance indicates that portion of fund equity which is available for budgeting in future periods.

Interfund Transactions

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

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

Deferred Revenue

The District reports deferred revenues on its Statement of Net Assets and Fund Balance Sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

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

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

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

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

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

Estimates

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

NOTE B: DEPOSITS 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.

Wells Fargo	Balance Per Bank 06/30/11	Reconciled Balance	Type
<u>Name of Account</u>			
Springer School	16,769	16,769	Savings
A C Elizabeth Arellano Scholarship	9,590	9,590	Savings
TOTAL Deposited	26,359	\$ 26,359	
Less: FDIC Coverage	(26,359)		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	\$ 0		
International Bank	Balance Per Bank 06/30/11	Reconciled Balance	Type
<u>Name of Account</u>			
General Operations	\$ 80,000	\$ 80,000	Checking
Springer Municipal Schools	808,084	618,677	Checking
Insurance Clearing Account	72,559	0	Checking
TOTAL Deposited	960,643	\$ 698,677	
Less: FDIC Coverage	(322,559)		
Uninsured Amount	638,084		
102% collateral requirement	650,845		
Pledged securities	660,453		
Over (Under) requirement	\$ 9,608		

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

The following securities are pledged at Independent Bank:

<u>Description</u>	<u>CUSIP #</u>	<u>Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
Espanola, NM Public School	296628BV1	\$ 200,000	7/1/2012	* WF California
FHLB Non CBL	3133XDTB7	101,519	12/1/2012	WF California
FFCB Non CBL	31331X2Q4	100,623	9/1/2013	* WF California
FHLB Non CBL	3133XKTV7	258,311	6/1/2014	* WF California
		\$ 660,453		

Custodial Credit Risk-Deposits

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 348,918
Collateralized:	
Collateral held by the pledging bank in District's name	0
Over insured or over collateralized	638,084
Total Deposits	<u>\$ 987,002</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2011 none of the District's bank balance of \$987,002 was exposed to custodial credit risk.

Investments

Account Name: Springer School District-Sim Brown Scholarship Fund

Type of Investment:	Balance 06/30/11
Domestic Equity	
US Large Cap Equity	\$ 13,584
US S&P Index	19,758
US Small/Mid Cap Equity	40,164
Non-US Equity	
Non-US Developed Markets Equity	31,720
Non-US Emerging Markets Equity	38,492
Bonds	
US Core Bonds	20,145
	<u>\$ 163,863</u>

Broker: New Mexico State Investment Council

Calculation of the net increase in the fair value of investments during the year:

Fair value at June 30, 2011	\$ 163,863
Add Investment earning	5,941
Fees Charges	(295)
Less Distribution	(5,400)
Less Fair Value June 30, 2010	(134,022)
Increase in fair value of investments	<u>\$ 30,087</u>

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

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1. With respect to credit risk, the LGIP, a government investment pool, is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.

2. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk. Therefore, the LGIP is exempt from this disclosure. However, our investment portfolio is posted on the State Treasurer's Office website, www.nmsto.gov, and available for review by participants at any time.

3. GASB Statement No. 40 defines interest rate risk as the risk that interest rate variations may adversely affect the fair value of an investment. According to GASB Statement No. 40, an acceptable method for reporting interest rate risk is weighted average maturity ("WAM"). The State Treasurer's Office uses this method for reporting purposes for the LGIP. The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at www.stonm.org. As of June 30, 2011, the LGIP WAM is 36 days.

4. Finally, with respect to foreign currency risk, all investments in the LGIP are in U.S. dollar denominated assets. Therefore, the LGIP has no foreign currency risk.

NOTE C: INTERFUND BALANCES

Interfund Balances year ending June 30, 2011 were as follows:

Loans from:	Loans to:	
General	Other Governmental Funds	\$ <u>66,378</u>

Loans were made from the General fund to above funds to cover the cash balances while awaiting reimbursements from PED. All loans are expected to be repaid within one year.

NOTE D: TAXES RECEIVABLE

Following is a schedule of property taxes receivable as of June 30, 2011:

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Property Taxes				
Receivable:				
Available	\$ 120	\$ 3,225	\$ 973	\$ 4,318
Unavailable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Property Taxes	<u>\$ 120</u>	<u>\$ 3,225</u>	<u>\$ 973</u>	<u>\$ 4,318</u>

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NOTE E: 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, 2011:

	Other Governmental Funds
Deferred Revenue	\$ <u>19,069</u>

NOTE F: CAPITAL ASSETS

Capital Assets Balances and Activity for the Year Ended June 30, 2011, is as follows:

	Balance 6/30/10	Additions	Adjustments	Balance 6/30/11
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 8,126	\$ 0	\$ 0	\$ 8,126
Total Capital Assets not being Depreciated	<u>8,126</u>	<u>0</u>	<u>0</u>	<u>8,126</u>
Capital Assets, being Depreciated				
Buildings & Improvements	9,435,632	447,167	0	9,882,799
Equipment, Vehicles, Information	<u>1,342,093</u>	<u>0</u>	<u>0</u>	<u>1,342,093</u>
Total Capital Assets, being Depreciated	<u>10,777,725</u>	<u>447,167</u>	<u>0</u>	<u>11,224,892</u>
Total Capital Assets	\$ <u>10,785,851</u>	\$ <u>447,167</u>	\$ <u>0</u>	\$ <u>11,233,018</u>
Less Accumulated Depreciation				
Buildings & Improvements	\$ 4,293,359	\$ 232,911	\$ 0	\$ 4,526,270
Equipment, Vehicles, Information	<u>576,615</u>	<u>81,174</u>	<u>0</u>	<u>657,789</u>
Total Accumulated Depreciation	<u>4,869,974</u>	<u>314,085</u>	<u>0</u>	<u>5,184,059</u>
Capital Assets, net	\$ <u>5,915,877</u>	\$ <u>133,082</u>	\$ <u>0</u>	\$ <u>6,048,959</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 314,085
Total depreciation expenses	\$ <u>314,085</u>

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NOTE G: LONG TERM DEBT

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

	Balance 6/30/10	Additions	Reductions	Balance 6/30/11	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 1,730,000	\$ 0	\$ 165,000	\$ 1,565,000	\$ 145,000
Total Bonds	<u>1,730,000</u>	<u>0</u>	<u>165,000</u>	<u>1,565,000</u>	<u>145,000</u>
Other Liabilities					
Compensated					
Absences	11,080	19,744	23,983	6,841	0
Total Other	<u>11,080</u>	<u>19,744</u>	<u>23,983</u>	<u>6,841</u>	<u>0</u>
Liabilities	<u>11,080</u>	<u>19,744</u>	<u>23,983</u>	<u>6,841</u>	<u>0</u>
Long-Term					
Liabilities	<u>\$ 1,741,080</u>	<u>\$ 19,744</u>	<u>\$ 188,983</u>	<u>\$ 1,571,841</u>	<u>\$ 145,000</u>

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

Above Balance of Long-Term Debts	\$ 1,565,000
Issue Costs	(142,663)
Accumulated Amortization	40,659
Statement of Net Assets	<u>\$ 1,462,996</u>
Long-Term Per Government Wide Financial Statements	\$ 1,317,996
Current Portion	145,000
Statement of Net Assets	<u>\$ 1,462,996</u>

General Obligation Bonds.

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

Series	Date of Issue	Original Amount	Interest Rate	Balance
2000	04/15/00	225,000	5.20%	\$ 0
2001	09/01/01	215,000	4.3%-4.8%	75,000
2002	10/01/02	185,000	3%-4.75%	40,000
2008	05/15/08	500,000	3%-5%	475,000
2009	06/15/09	500,000	3.5%-4.25%	475,000
2010	03/15/10	500,000	3.00%	500,000
				<u>\$ 1,565,000</u>

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SPRINGER MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2011

The annual requirements to amortize all of the general obligation bonds as of June 30, 2011, including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 145,000	\$ 58,928	\$ 203,928
2013	145,000	53,519	198,519
2014	175,000	47,900	222,900
2015	125,000	42,050	167,050
2016	300,000	36,150	336,150
2017-2020	675,000	63,125	738,125
	<u>\$ 1,565,000</u>	<u>\$ 301,672</u>	<u>\$ 1,866,672</u>

NOTE H: COMMITMENTS

The District will spend \$200,000 for major capital repairs in the next fiscal year.

NOTE I: PENSION PLAN

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, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB's website at www.nmerb.org.

Effective July 1, 2009 through June 30, 2011, plan members were required by state statute to contribute 7.9% of their gross salary if they earn \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.4% of their gross salary. The District was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 10.9% of the gross covered salary of employees earning more than \$20,000 annually. Effective July 1, 2011 plan members are required by statute to continue 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually are required to contribute 11.15% of their gross salary. The District is required to contribute 12.4% of gross covered salary for employees earning \$20,000 or less, and 9.15% of the gross covered salary of employees earning more than \$20,000 annually. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2011, 2010, and 2009, were \$333,789, \$315,337 and \$321,640 respectively, which equal the amount of the required contributions for each fiscal year.

NOTE J: RETIREE HEALTH CARE ACT CONTRIBUTIONS

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

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

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

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

The Retiree Health Care Authority issues a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums 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 RHCA, Albuquerque State Government Center, 401 Roma, NW, Suite 200, Albuquerque, New Mexico 87102.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2011, the statute required each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee was required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contribution rates for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan the contribution rates will be:

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
2012	1.834%	0.917%
2013	2.000%	1.000%

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

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

The District's contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were \$40,967, \$29,956 and \$32,330 respectively, which equal the required contributions for each year.

NOTE K: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

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

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

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

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

NOTE L: INSURANCE COVERAGE

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

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

NOTE M. SURETY BOND

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

NOTE N: JOINT POWERS AGREEMENTS

A joint powers agreement was entered into with the High Plains Regional Education Cooperative No. 3 (REC). The purpose of the agreement is 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 United States Department of Education under the Education of the Handicapped Act, Part B, PL 94-142 among others.

The agreement became effective on July 1, 1995 and is to remain in effect until the end of any fiscal year during which the school gives notice of intent to terminate.

The High Plains Regional Education Cooperative No. 3 issues a separate, publicly available financial report that includes financial statements and required supplementary information. A copy of that audit report can be obtained by writing to the High Plains Regional Education Cooperative No. 3, 144 South First Street, Raton, New Mexico, 87740.

NOTE O. NEGATIVE FUND BALANCE

At the fiscal year end fund 28140-Coordinated Approach to Children had a negative fund balance of \$(97).

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 CAPITAL PROJECT FUND-BOND BUILDING-31100
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Capital Outlay				
Fixed Assets	589,017	589,017	412,905	176,112
Total Capital Outlay	<u>589,017</u>	<u>589,017</u>	<u>412,905</u>	<u>176,112</u>
Total Expenditures	<u>589,017</u>	<u>589,017</u>	<u>412,905</u>	<u>176,112</u>
Excess (Deficiency) of Revenues Over Expenditures	(589,017)	(589,017)	(412,905)	176,112
Cash Balance Beginning of Year	<u>589,017</u>	<u>589,017</u>	<u>589,017</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 176,112</u>	<u>\$ 176,112</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (412,905)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (412,905)</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
DEBT SERVICE-41000

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 258,699	\$ 258,699	\$ 255,838	\$ (2,861)
Total Revenues	<u>258,699</u>	<u>258,699</u>	<u>255,838</u>	<u>(2,861)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	<u>2,587</u>	<u>2,587</u>	<u>2,559</u>	<u>28</u>
Total Support Services-General Administration	<u>2,587</u>	<u>2,587</u>	<u>2,559</u>	<u>28</u>
Debt Service				
Principal	165,086	164,706	165,000	(294)
Interest	<u>190,000</u>	<u>190,000</u>	<u>56,611</u>	<u>133,389</u>
Total Debt Service	<u>355,086</u>	<u>354,706</u>	<u>221,611</u>	<u>133,095</u>
Total Expenditures	<u>357,673</u>	<u>357,293</u>	<u>224,170</u>	<u>133,123</u>
Excess (Deficiency) of Revenues Over Expenditures	(98,974)	(98,594)	31,668	130,262
Cash Balance Beginning of Year	<u>164,706</u>	<u>164,706</u>	<u>164,706</u>	<u>0</u>
Cash Balance End of Year	\$ <u>65,732</u>	\$ <u>66,112</u>	\$ <u>196,374</u>	\$ <u>130,262</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 31,668	
Net change in Taxes Receivable			(3,203)	
Net change in Current Portion Principal			(75,000)	
Net change in Current Portion Interest			(8,969)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (55,504)</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

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

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

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

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

IDEA Preschool (24109). To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the Individuals with Disabilities Education Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, 101-476, and 102-119. The fund was created by the authority of federal grant provisions.

Fresh Fruit & Vegetable Program (24118). To account for a Federal grant to provide a variety of free fresh fruits and vegetables to children to help create a healthier school environment. Funding is authorized by the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Act, signed in November 2005, Public Law 109-97.

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

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

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

IDEA, Part B Recovery Act (24206). To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

IDEA Preschool Recovery Act (24209). To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

USDA Child Nutrition Recovery Act (24218). To account for a program funded by a Federal grant to assist the District in providing equipment for the food service program. The fund was created by the authority of federal grant provisions.

Breakfast Stimulus (24290). To account for the revenues and expenditures for a federal grant to provide breakfast in the classroom. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

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

Child Care Block Grant CYFD (25157) Children Youth and Family funded, pays for childcare for those meeting low income criteria

Child & Adult Food Program (25171). To account for grant funds to provide meals and snacks to children enrolled in day care. This program is in accordance with the federal regulation 7 CFR part 226.6(h) and is monitored by the New Mexico Children, Youth and Families Department.

Rural Education Achievement Program (REAP) (25233) 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 Fiscal Stabilization Program Fund (25250). The objectives of this grant are to support and restore funding for elementary and secondary education, to avoid reductions in budgets for education and other essential services in exchange for a commitment to advance essential education reforms. The fund was created by grant provisions.

Education Job Stimulus (25255). To account for revenues and expenditures received from the federal government for the purpose of job creation. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

Dual Credit Instructional Materials (27103). To provide funding to the District to purchase college books for students attending college classes and obtaining dual credits. The fund was created by grant provisions.

Go Library Books SB333 (27105). 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.

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

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

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

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

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

Library Books (27549). To account for funds received from the New Mexico Public Education Department for purchasing library books. The fund was created by state grant provisions.

Coordinated Approach to Children (28140) Funding for a research-based physical activity and nutrition diabetes prevention program. Includes components of nutrition, physical activity,, family involvement and school food service.

Silver Wellness Center (29125). To account for revenues and expenditures from local sources provided for the salaries, benefits, equipment and supplies for the childcare center. The fund was created by grant provisions.

NONMAJOR CAPITAL PROJECTS FUNDS

Public School Capital Outlay-State (31400). To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading buildings.

Senate Bill Nine (31700). The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

NONMAJOR DEBT SERVICE FUND

Education Technology (43000). To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	Title I 24101
ASSETS			
Cash and Cash Equivalents	\$ 12,690	\$ 817	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	15,785
Inventory	1,630	0	0
Total Assets	<u>\$ 14,320</u>	<u>\$ 817</u>	<u>\$ 15,785</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 317	\$ 0	\$ 164
Interfund Balances	0	0	15,621
Deferred Revenue	0	0	0
Total Liabilities	<u>317</u>	<u>0</u>	<u>15,785</u>
Fund Balance			
Nonspendable-Inventory	1,630	0	0
Restricted-Reported In			
Special Revenue Funds	12,373	817	0
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>14,003</u>	<u>817</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 14,320</u>	<u>\$ 817</u>	<u>\$ 15,785</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		
	IDEA B Entitlement 24106	IDEA Preschool 24109	Fresh Fruit & Vegetables 24118
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 574	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	17,172	0	0
Inventory	0	0	0
Total Assets	<u>\$ 17,172</u>	<u>\$ 574</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	17,172	0	0
Deferred Revenue	0	574	0
Total Liabilities	<u>17,172</u>	<u>574</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 17,172</u>	<u>\$ 574</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		
	Teacher/ Principal Training 24154	Safe & Drug Free Schools 24157	Title I Recovery Act 24201
ASSETS			
Cash and Cash Equivalents	\$ 4,461	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	\$ 4,461	\$ 0	\$ 0
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	0
Deferred Revenue	4,461	0	0
Total Liabilities	4,461	0	0
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	0	0	0
Total Liabilities and Fund Balance	\$ 4,461	\$ 0	\$ 0

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		
	IDEA B Entitlement Stimulus 24206	IDEA Preschool Recovery Act 24209	USDA Child Nutrition Recovery Act 24218
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	3,344	0	0
Inventory	0	0	0
Total Assets	<u>\$ 3,344</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	3,344	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>3,344</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 3,344</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		
	Breakfast Stimulus 24290	Medicaid 25153	Child Care Block Grant CYFD 25157
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 10,738	\$ 10,168
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 10,738</u>	<u>\$ 10,168</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	0
Deferred Revenue	0	0	10,168
Total Liabilities	<u>0</u>	<u>0</u>	<u>10,168</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	10,738	0
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>10,738</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 10,738</u>	<u>\$ 10,168</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		
	Child & Adult Food Program 25171	REAP 25233	Fiscal Stabilization Program 25250
ASSETS			
Cash and Cash Equivalents	\$ 3,866	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	3,794	0
Inventory	0	0	0
Total Assets	\$ 3,866	\$ 3,794	\$ 0
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	3,794	0
Deferred Revenue	3,866	0	0
Total Liabilities	3,866	3,794	0
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	0	0	0
Total Liabilities and Fund Balance	\$ 3,866	\$ 3,794	\$ 0

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		
	Educational Job Stimulus 25255	Dual Credit Instructional Materials 27103	GO Library Books SB333 27105
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	16,122	0	10,228
Inventory	0	0	0
Total Assets	<u>\$ 16,122</u>	<u>\$ 0</u>	<u>\$ 10,228</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	16,122	0	10,228
Deferred Revenue	0	0	0
Total Liabilities	<u>16,122</u>	<u>0</u>	<u>10,228</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 16,122</u>	<u>\$ 0</u>	<u>\$ 10,228</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		
	Technology For Education 27117	Incentives For School Improvement 27138	Beginning Teacher Mentoring 27154
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 611	\$ 1,068
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 611</u>	<u>\$ 1,068</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	611	1,068
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>611</u>	<u>1,068</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 611</u>	<u>\$ 1,068</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		
	Breakfast for Elementary Students <u>27155</u>	Libraries GO Bonds <u>27170</u>	Library Books <u>27549</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 599
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 599</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	599
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>599</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 599</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	Special Revenue Fund		Capital Projects
	Coordinated Approach to Children 28140	Silver Wellness Center 29125	Public School Capital Outlay State 31400
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 10,628	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	\$ 0	\$ 10,628	\$ 0
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	97		0
Deferred Revenue	0	0	0
Total Liabilities	97	0	0
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	(97)	10,628	0
Retirement of Long-Term Debt	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	(97)	10,628	0
Total Liabilities and Fund Balance	\$ 0	\$ 10,628	\$ 0

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2011

	<u>Capital Projects</u>	<u>Debt Service</u>	
	Senate Bill Nine 31700	Education Technology 43000	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 9,010	\$ 9,105	\$ 74,335
Receivables			
Taxes	793	180	973
Due From Grantor	0	0	66,445
Inventory	0	0	1,630
Total Assets	<u>\$ 9,803</u>	<u>\$ 9,285</u>	<u>\$ 143,383</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 235	\$ 0	\$ 716
Interfund Balances	0	0	66,378
Deferred Revenue	0	0	19,069
Total Liabilities	<u>235</u>	<u>0</u>	<u>86,163</u>
Fund Balance			
Nonspendable-Inventory	0	0	1,630
Restricted-Reported In			
Special Revenue Funds	0	0	36,737
Retirement of Long-Term Debt	0	9,285	9,285
Assigned-Capital Projects	<u>9,568</u>	<u>0</u>	<u>9,568</u>
Total Fund Balances	<u>9,568</u>	<u>9,285</u>	<u>57,220</u>
Total Liabilities and Fund Balance	<u>\$ 9,803</u>	<u>\$ 9,285</u>	<u>\$ 143,383</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	Title I 24101
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	19,362	34,762	0
State & Local Grants	0	0	0
Federal Grants	99,029	0	100,964
Miscellaneous	0	520	0
Total Revenues	<u>118,391</u>	<u>35,282</u>	<u>100,964</u>
Expenditures			
Current			
Instruction	0	35,035	95,235
Support Services-Students	0	0	0
Support Services-General Administration	0	0	3,325
Support Services-School Administration	0	0	2,404
Operation & Maintenance of Plant	0	0	0
Food Services	109,827	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>109,827</u>	<u>35,035</u>	<u>100,964</u>
Excess (Deficiency) of Revenues Over Expenditures	8,564	247	0
Fund Balances at Beginning of Year	<u>5,439</u>	<u>570</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 14,003</u>	<u>\$ 817</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		
	IDEA B Entitlement 24106	IDEA Preschool 24109	Fresh Fruit & Vegetables 24118
	<u>24106</u>	<u>24109</u>	<u>24118</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	56,160	3,958	4,024
Miscellaneous	0	0	0
Total Revenues	<u>56,160</u>	<u>3,958</u>	<u>4,024</u>
Expenditures			
Current			
Instruction	6,502	3,958	0
Support Services-Students	13,596	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	36,062	0	0
Operation & Maintenance of Plant	0	0	0
Food Services	0	0	4,024
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>56,160</u>	<u>3,958</u>	<u>4,024</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		
	Teacher/ Principal Training 24154	Safe & Drug Free Schools 24157	Title I Recovery Act 24201
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	18,669	178	211
Miscellaneous	0	0	0
Total Revenues	<u>18,669</u>	<u>178</u>	<u>211</u>
Expenditures			
Current			
Instruction	17,704	178	211
Support Services-Students	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	965	0	0
Operation & Maintenance of Plant	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>18,669</u>	<u>178</u>	<u>211</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		
	IDEA B	IDEA	USDA
	Entitlement Stimulus 24206	Preschool Recovery Act 24209	Child Nutrition Recovery Act 24218
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	15,796	1,087	0
Miscellaneous	0	0	0
Total Revenues	<u>15,796</u>	<u>1,087</u>	<u>0</u>
Expenditures			
Current			
Instruction	15,796	1,087	0
Support Services-Students	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>15,796</u>	<u>1,087</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		
	Breakfast Stimulus 24290	Medicaid 25153	Child Care Block Grant CYFD 25157
	<u>24290</u>	<u>25153</u>	<u>25157</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	2,500	0	29,553
Miscellaneous	0	0	0
Total Revenues	<u>2,500</u>	<u>0</u>	<u>29,553</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	29,553
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services	2,500	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>2,500</u>	<u>0</u>	<u>29,553</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>10,738</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 10,738</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		
	Child & Adult Food Program 25171	REAP 25233	Fiscal Stabilization Program 25250
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	950	7,499	44,446
Miscellaneous	0	0	0
Total Revenues	<u>950</u>	<u>7,499</u>	<u>44,446</u>
Expenditures			
Current			
Instruction	0	7,499	44,446
Support Services-Students	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services	950	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>950</u>	<u>7,499</u>	<u>44,446</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		
	Educational Job Stimulus 25255	Dual Credit Instructional Materials 27103	GO Library Books SB333 27105
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	4,665	10,228
Federal Grants	62,998	0	0
Miscellaneous	0	0	0
Total Revenues	<u>62,998</u>	<u>4,665</u>	<u>10,228</u>
Expenditures			
Current			
Instruction	0	4,665	10,228
Support Services-Students	62,998	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>62,998</u>	<u>4,665</u>	<u>10,228</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		
	Technology For Education <u>27117</u>	Incentives For School Improvement <u>27138</u>	Beginning Teacher Mentoring <u>27154</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	2,125	969	0
Support Services-Students	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>2,125</u>	<u>969</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,125)	(969)	0
Fund Balances at Beginning of Year	<u>2,125</u>	<u>1,580</u>	<u>1,068</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 611</u>	<u>\$ 1,068</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		
	Breakfast for Elementary Students <u>27155</u>	Libraries GO Bonds <u>27170</u>	Library Books <u>27549</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	0	0
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>599</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 599</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	Special Revenue Fund		Capital Projects
	Coordinated Approach to Children 28140	Silver Wellness Center 29125	Public School Capital Outlay State 31400
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	12,205	34,262
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>12,205</u>	<u>34,262</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	16,361	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	34,262
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>0</u>	<u>16,361</u>	<u>34,262</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(4,156)	0
Fund Balances at Beginning of Year	<u>(97)</u>	<u>14,784</u>	<u>0</u>
Fund Balance End of Year	<u>\$ (97)</u>	<u>\$ 10,628</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2011

	<u>Capital Projects</u>	<u>Debt Service</u>	
	Senate Bill Nine 31700	Education Technology 43000	<u>Total</u>
Revenues			
Property Taxes	\$ 58,158	\$ 1,110	\$ 59,268
Fees	0	0	54,124
State & Local Grants	32,224	0	93,584
Federal Grants	0	0	448,022
Miscellaneous	0	0	520
Total Revenues	<u>90,382</u>	<u>1,110</u>	<u>655,518</u>
Expenditures			
Current			
Instruction	0	0	245,638
Support Services-Students	0	0	122,508
Support Services-General Administration	590	13	3,928
Support Services-School Administration	0	0	39,431
Operation & Maintenance of Plant	105,000	0	105,000
Food Services	0	0	117,301
Capital Outlay	0	0	34,262
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>105,590</u>	<u>13</u>	<u>668,068</u>
Excess (Deficiency) of Revenues Over Expenditures	(15,208)	1,097	(12,550)
Fund Balances at Beginning of Year	<u>24,776</u>	<u>8,188</u>	<u>69,770</u>
Fund Balance End of Year	<u>\$ 9,568</u>	<u>\$ 9,285</u>	<u>\$ 57,220</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 10,000	\$ 10,000	\$ 19,362	\$ 9,362
Federal Grants	100,000	107,784	91,561	(16,223)
Total Revenues	<u>110,000</u>	<u>117,784</u>	<u>110,923</u>	<u>(6,861)</u>
Expenditures				
Food Service				
Personnel Services	37,724	37,396	32,358	5,038
Employee Benefits	21,781	12,811	15,106	(2,295)
Professional & Tech Services	0	300	300	0
Other Purchased Services	200	200	54	146
Supplies	38,858	56,769	54,544	2,225
Total Food Service	<u>98,563</u>	<u>107,476</u>	<u>102,362</u>	<u>5,114</u>
Total Expenditures	<u>98,563</u>	<u>107,476</u>	<u>102,362</u>	<u>5,114</u>
Excess (Deficiency) of Revenues Over Expenditures	11,437	10,308	8,561	(1,747)
Cash Balance Beginning of Year	<u>4,129</u>	<u>4,129</u>	<u>4,129</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 15,566</u>	<u>\$ 14,437</u>	<u>\$ 12,690</u>	<u>\$ (1,747)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 8,561	
Net change in Due from Grantor			319	
Net change in Inventory			(316)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 8,564</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 28,000	\$ 34,223	\$ 34,762	\$ 539
Miscellaneous	0	520	520	0
Total Revenues	<u>28,000</u>	<u>34,743</u>	<u>35,282</u>	<u>539</u>
Expenditures				
Instruction				
Professional & Tech Services	500	500	500	0
Other Purchased Services	15,000	22,313	22,313	0
Supplies	12,500	12,500	12,222	278
Total Instruction	<u>28,000</u>	<u>35,313</u>	<u>35,035</u>	<u>278</u>
Total Expenditures	<u>28,000</u>	<u>35,313</u>	<u>35,035</u>	<u>278</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(570)	247	817
Cash Balance Beginning of Year	<u>570</u>	<u>570</u>	<u>570</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 570</u>	<u>\$ 0</u>	<u>\$ 817</u>	<u>\$ 817</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 247</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 247</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 107,515	\$ 137,717	\$ 102,275	\$ (35,442)
Total Revenues	<u>107,515</u>	<u>137,717</u>	<u>102,275</u>	<u>(35,442)</u>
Expenditures				
Instruction				
Personnel Services	44,290	47,291	47,290	1
Employee Benefits	20,331	20,748	20,391	357
Professional & Tech Services	0	110	110	0
Other Purchased Services	900	900	156	744
Supplies	17,573	35,926	19,209	16,717
Supply Assets	0	7,916	7,915	1
Total Instruction	<u>83,094</u>	<u>112,891</u>	<u>95,071</u>	<u>17,820</u>
Support Services- Instruction				
Personnel Services	0	0	0	0
Employee Benefits	0	0	0	0
Total Support Services-Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	3,325	3,325	3,325	0
Total Support Services-General Administration	<u>3,325</u>	<u>3,325</u>	<u>3,325</u>	<u>0</u>
Support Services-School Administration				
Personnel Services	2,000	2,000	2,000	0
Employee Benefits	2,000	2,405	404	2,001
Total Support Services-School Administration	<u>4,000</u>	<u>4,405</u>	<u>2,404</u>	<u>2,001</u>
Total Expenditures	<u>90,419</u>	<u>120,621</u>	<u>100,800</u>	<u>19,821</u>
Excess (Deficiency) of Revenues Over Expenditures	17,096	17,096	1,475	(15,621)
Cash Balance Beginning of Year	<u>(17,096)</u>	<u>(17,096)</u>	<u>(17,096)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (15,621)</u>	<u>\$ (15,621)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,475	
Net change in Due from Grantor			(1,311)	
Net change in Accounts Payable			<u>(164)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA B ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 79,598	\$ 79,598	\$ 52,830	\$ (26,768)
Total Revenues	<u>79,598</u>	<u>79,598</u>	<u>52,830</u>	<u>(26,768)</u>
Expenditures				
Instruction				
Professional & Tech Services	250	250	225	25
Other Purchased Services	2,022	2,022	2,021	1
Supplies	12,619	12,619	4,256	8,363
Total Instruction	<u>14,891</u>	<u>14,891</u>	<u>6,502</u>	<u>8,389</u>
Support Services-Students				
Personnel Services	7,750	7,751	7,750	1
Employee Benefits	3,954	4,081	3,707	374
Professional & Tech Services	500	1,403	1,403	0
Other Purchased Services	500	736	736	0
Total Support Services-Students	<u>12,704</u>	<u>13,971</u>	<u>13,596</u>	<u>375</u>
Support Services-School Administration				
Personnel Services	26,663	26,663	26,507	156
Employee Benefits	9,748	9,496	8,822	674
Professional & Tech Services	500	330	330	0
Other Purchased Services	500	405	403	2
Total Support Services-School Administration	<u>37,411</u>	<u>36,894</u>	<u>36,062</u>	<u>832</u>
Total Expenditures	<u>65,006</u>	<u>65,756</u>	<u>56,160</u>	<u>9,596</u>
Excess (Deficiency) of Revenues Over Expenditures	14,592	13,842	(3,330)	(17,172)
Cash Balance Beginning of Year	<u>(13,842)</u>	<u>(13,842)</u>	<u>(13,842)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>750</u>	\$ <u>0</u>	\$ <u>(17,172)</u>	\$ <u>(17,172)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,330)	
Net change in Due from Grantor			<u>3,330</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND- IDEA PRESCHOOL-24109
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 5,627	\$ 5,627	\$ 6,201	\$ 574
Total Revenues	<u>5,627</u>	<u>5,627</u>	<u>6,201</u>	<u>574</u>
Expenditures				
Instruction				
Supplies	<u>3,958</u>	<u>3,958</u>	<u>3,958</u>	<u>0</u>
Total Instruction	<u>3,958</u>	<u>3,958</u>	<u>3,958</u>	<u>0</u>
Total Expenditures	<u>3,958</u>	<u>3,958</u>	<u>3,958</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	1,669	1,669	2,243	574
Cash Balance Beginning of Year	<u>(1,669)</u>	<u>(1,669)</u>	<u>(1,669)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 574</u>	<u>\$ 574</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,243	
Net change in Due from Grantor			(1,669)	
Net change in Deferred Revenue			<u>(574)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-FRESH FRUIT & VEGETABLES-24118
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 0	\$ 4,700	\$ 4,024	\$ (676)
Total Revenues	<u>0</u>	<u>4,700</u>	<u>4,024</u>	<u>(676)</u>
Expenditures				
Food Service				
Supplies	0	4,700	4,024	676
Total Food Service	<u>0</u>	<u>4,700</u>	<u>4,024</u>	<u>676</u>
Total Expenditures	<u>0</u>	<u>4,700</u>	<u>4,024</u>	<u>676</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TEACHER/PRINCIPAL TRAINING-24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 16,265	\$ 16,276	\$ 17,409	\$ 1,133
Total Revenues	<u>16,265</u>	<u>16,276</u>	<u>17,409</u>	<u>1,133</u>
Expenditures				
Instruction				
Personnel Services	1,000	1,000	0	1,000
Employee Benefits	213	213	0	213
Professional & Tech Services	19,773	18,002	15,423	2,579
Other Purchased Services	500	2,282	2,281	1
Supplies	500	500	0	500
Total Instruction	<u>21,986</u>	<u>21,997</u>	<u>17,704</u>	<u>4,293</u>
Support Services-School Administration				
Professional & Tech Services	1,000	1,000	425	575
Other Purchased Services	1,000	1,000	540	460
Supplies	0	179	0	179
Total Support Services-School Administration	<u>2,000</u>	<u>2,179</u>	<u>965</u>	<u>1,214</u>
Total Expenditures	<u>23,986</u>	<u>24,176</u>	<u>18,669</u>	<u>5,507</u>
Excess (Deficiency) of Revenues Over Expenditures	(7,721)	(7,900)	(1,260)	6,640
Cash Balance Beginning of Year	<u>5,721</u>	<u>5,721</u>	<u>5,721</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (2,000)</u>	<u>\$ (2,179)</u>	<u>\$ 4,461</u>	<u>\$ 6,640</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,260)	
Net change in Deferred Revenue			<u>1,260</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-SAFE & DRUG FREE SCHOOLS-24157
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 0	\$ 179	\$ 178	\$ (1)
Total Revenues	<u>0</u>	<u>179</u>	<u>178</u>	<u>(1)</u>
Expenditures				
Instruction				
Supplies	0	179	178	1
Total Instruction	<u>0</u>	<u>179</u>	<u>178</u>	<u>1</u>
Total Expenditures	<u>0</u>	<u>179</u>	<u>178</u>	<u>1</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE I RECOVERY ACT-24201
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 11,383	\$ 11,383	\$ 11,383	\$ 0
Total Revenues	<u>11,383</u>	<u>11,383</u>	<u>11,383</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	211	211	0
Total Instruction	<u>0</u>	<u>211</u>	<u>211</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>211</u>	<u>211</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	11,383	11,172	11,172	0
Cash Balance Beginning of Year	<u>(11,172)</u>	<u>(11,172)</u>	<u>(11,172)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 211</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 11,172	
Net change in Due from Grantor			<u>(11,172)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA B RECOVERY ACT-24206
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 20,119	\$ 35,916	\$ 32,571	\$ (3,345)
Total Revenues	<u>20,119</u>	<u>35,916</u>	<u>32,571</u>	<u>(3,345)</u>
Expenditures				
Instruction				
Supplies	0	15,797	15,796	1
Total Instruction	<u>0</u>	<u>15,797</u>	<u>15,796</u>	<u>1</u>
Total Expenditures	<u>0</u>	<u>15,797</u>	<u>15,796</u>	<u>1</u>
Excess (Deficiency) of Revenues Over Expenditures	20,119	20,119	16,775	(3,344)
Cash Balance Beginning of Year	<u>(20,119)</u>	<u>(20,119)</u>	<u>(20,119)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3,344)</u>	<u>\$ (3,344)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 16,775	
Net change in Due from Grantor			<u>(16,775)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA PRESCHOOL RECOVERY ACT-24209
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 1,126	\$ 2,213	\$ 2,213	\$ 0
Total Revenues	<u>1,126</u>	<u>2,213</u>	<u>2,213</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	1,087	1,087	0
Total Instruction	<u>0</u>	<u>1,087</u>	<u>1,087</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>1,087</u>	<u>1,087</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	1,126	1,126	1,126	0
Cash Balance Beginning of Year	<u>(1,126)</u>	<u>(1,126)</u>	<u>(1,126)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,126	
Net change in Due from Grantor			<u>(1,126)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-USDA CHILD NUTRITION RECOVERY ACT-24218
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 21,483	\$ 21,483	\$ 21,483	\$ 0
Total Revenues	<u>21,483</u>	<u>21,483</u>	<u>21,483</u>	<u>0</u>
Expenditures				
Food Services				
Fixed Assets	0	0	0	0
Supply Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Food Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	21,483	21,483	21,483	0
Cash Balance Beginning of Year	<u>(21,483)</u>	<u>(21,483)</u>	<u>(21,483)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 21,483	
Net change in Due from Grantor			<u>(21,483)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-BREAKFAST STIMULUS-24290
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 2,500	\$ 2,500	\$ 0
Total Revenues	<u>0</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
Expenditures				
Food Services				
Supplies	0	2,500	2,500	0
Total Food Services	<u>0</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>2,500</u>	<u>2,500</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-MEDICAID-25153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>10,738</u>	<u>10,738</u>	<u>10,738</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 10,738</u>	<u>\$ 10,738</u>	<u>\$ 10,738</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-CHILD CARE BLOCK GRANT CYFD-25157
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 30,274	\$ 33,038	\$ 20,323	\$ (12,715)
Total Revenues	<u>30,274</u>	<u>33,038</u>	<u>20,323</u>	<u>(12,715)</u>
Expenditures				
Support Services-Students				
Personnel Services	18,500	21,264	18,263	3,001
Employee Benefits	11,774	11,774	11,290	484
Total Support Services-Students	<u>30,274</u>	<u>33,038</u>	<u>29,553</u>	<u>3,485</u>
Total Expenditures	<u>30,274</u>	<u>33,038</u>	<u>29,553</u>	<u>3,485</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(9,230)	(9,230)
Cash Balance Beginning of Year	<u>19,398</u>	<u>19,398</u>	<u>19,398</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 19,398</u>	<u>\$ 19,398</u>	<u>\$ 10,168</u>	<u>\$ (9,230)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (9,230)	
Net change in Deferred Revenue			<u>9,230</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-CHILD & ADULT FOOD PROGRAM-25171
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 3,000	\$ 3,000	\$ 1,267	\$ (1,733)
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>1,267</u>	<u>(1,733)</u>
Expenditures				
Food Service				
Supplies	6,109	6,549	950	5,599
Total Food Service	<u>6,109</u>	<u>6,549</u>	<u>950</u>	<u>5,599</u>
Total Expenditures	<u>6,109</u>	<u>6,549</u>	<u>950</u>	<u>5,599</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,109)	(3,549)	317	3,866
Cash Balance Beginning of Year	<u>3,549</u>	<u>3,549</u>	<u>3,549</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 440</u>	<u>\$ 0</u>	<u>\$ 3,866</u>	<u>\$ 3,866</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 317	
Net Change in Deferred Revenue			<u>(317)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-RURAL EDUCATION ACHIEVEMENT PROGRAM-25233
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 0	\$ 9,031	\$ 3,705	\$ (5,326)
Total Revenues	<u>0</u>	<u>9,031</u>	<u>3,705</u>	<u>(5,326)</u>
Expenditures				
Instruction				
Supply Assets	0	9,031	7,499	1,532
Total Instruction	<u>0</u>	<u>9,031</u>	<u>7,499</u>	<u>1,532</u>
Total Expenditures	<u>0</u>	<u>9,031</u>	<u>7,499</u>	<u>1,532</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(3,794)	(3,794)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3,794)</u>	<u>\$ (3,794)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,794)	
Net Change in Due from Grantor			<u>3,794</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-STATE FISCAL STABILIZATION PROGRAM FUND-25250
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 71,667	\$ 71,667	\$ 71,667	\$ 0
Total Revenues	<u>71,667</u>	<u>71,667</u>	<u>71,667</u>	<u>0</u>
Expenditures				
Instruction				
Other Purchased Services	23,289	23,382	23,382	0
Supplies	<u>0</u>	<u>21,064</u>	<u>21,064</u>	<u>0</u>
Total Instruction	<u>23,289</u>	<u>44,446</u>	<u>44,446</u>	<u>0</u>
Total Expenditures	<u>23,289</u>	<u>44,446</u>	<u>44,446</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	48,378	27,221	27,221	0
Cash Balance Beginning of Year	<u>(27,221)</u>	<u>(27,221)</u>	<u>(27,221)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 21,157</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 27,221	
Net change in Due from Grantor			<u>(27,221)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-EDUCATION JOB STUMULUS-25255
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 62,999	\$ 46,876	\$ (16,123)
Total Revenues	<u>0</u>	<u>62,999</u>	<u>46,876</u>	<u>(16,123)</u>
Expenditures				
Support Services-Students				
Personnel Services	0	49,681	49,680	1
Employee Benefits	<u>0</u>	<u>13,318</u>	<u>13,318</u>	<u>0</u>
Total Support Services-Students	<u>0</u>	<u>62,999</u>	<u>62,998</u>	<u>1</u>
Total Expenditures	<u>0</u>	<u>62,999</u>	<u>62,998</u>	<u>1</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(16,122)	(16,122)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (16,122)</u>	<u>\$ (16,122)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (16,122)	
Net change in Due from Grantor			<u>16,122</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-DUAL CREDIT INSTRUCTIONAL MATERIALS-27103
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 5,206	\$ 4,665	\$ (541)
Total Revenues	<u>0</u>	<u>5,206</u>	<u>4,665</u>	<u>(541)</u>
Expenditures				
Instruction				
Supplies	0	5,206	4,665	541
Total Instruction	<u>0</u>	<u>5,206</u>	<u>4,665</u>	<u>541</u>
Total Expenditures	<u>0</u>	<u>5,206</u>	<u>4,665</u>	<u>541</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-GO LIBRARY BOOKS SB333-27105
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 12,303	\$ 12,303	\$ 0	\$ (12,303)
Total Revenues	<u>12,303</u>	<u>12,303</u>	<u>0</u>	<u>(12,303)</u>
Expenditures				
Instruction				
Supplies	12,303	12,303	10,228	2,075
Total Instruction	<u>12,303</u>	<u>12,303</u>	<u>10,228</u>	<u>2,075</u>
Total Expenditures	<u>12,303</u>	<u>12,303</u>	<u>10,228</u>	<u>2,075</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(10,228)	(10,228)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (10,228)</u>	<u>\$ (10,228)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (10,228)	
Net Change in Due from Grantor			<u>10,228</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TECHNOLOGY FOR EDUCATION-27117
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	2,125	2,125	0
Total Instruction	<u>0</u>	<u>2,125</u>	<u>2,125</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>2,125</u>	<u>2,125</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(2,125)	(2,125)	0
Cash Balance Beginning of Year	<u>2,125</u>	<u>2,125</u>	<u>2,125</u>	<u>0</u>
Cash Balance End of Year	\$ <u>2,125</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(2,125)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(2,125)</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-INCENTIVES FOR SCHOOL IMPROVEMENT-27138
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Other Purchased Services	0	257	257	0
Supplies	<u>0</u>	<u>1,323</u>	<u>712</u>	<u>611</u>
Total Instruction	<u>0</u>	<u>1,580</u>	<u>969</u>	<u>611</u>
Total Expenditures	<u>0</u>	<u>1,580</u>	<u>969</u>	<u>611</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(1,580)	(969)	611
Cash Balance Beginning of Year	<u>1,580</u>	<u>1,580</u>	<u>1,580</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,580</u>	<u>\$ 0</u>	<u>\$ 611</u>	<u>\$ 611</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (969)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (969)</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-BEGINNING TEACHER MENTORING-27154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	0	0	0
Employee Benefits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>1,068</u>	<u>1,068</u>	<u>1,068</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,068</u>	<u>\$ 1,068</u>	<u>\$ 1,068</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-BREAKFAST FOR ELEMENTARY STUDENTS-27155
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

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

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-LIBRARIES GO BONDS-27170
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

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

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-LIBRARY BOOKS-27549
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supply Assets	599	599	0	599
Total Instruction	<u>599</u>	<u>599</u>	<u>0</u>	<u>599</u>
Total Expenditures	<u>599</u>	<u>599</u>	<u>0</u>	<u>599</u>
Excess (Deficiency) of Revenues Over Expenditures	(599)	(599)	0	599
Cash Balance Beginning of Year	<u>599</u>	<u>599</u>	<u>599</u>	<u>599</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 599</u>	<u>\$ 1,198</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-COORDINATED APPROACH TO CHILDREN-28140
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 98	\$ 98	\$ 0	\$ (98)
Total Revenues	<u>98</u>	<u>98</u>	<u>0</u>	<u>(98)</u>
Expenditures				
Support Services-Students				
Supplies	0	0	0	0
Total Support Services-Students	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	98	98	0	(98)
Cash Balance Beginning of Year	<u>(97)</u>	<u>(97)</u>	<u>(97)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ (97)</u>	<u>\$ (98)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-SILVER WELLNESS CENTER-29125
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 12,500	\$ 12,500	\$ 12,205	\$ (295)
Total Revenues	<u>12,500</u>	<u>12,500</u>	<u>12,205</u>	<u>(295)</u>
Expenditures				
Support Services-Students				
Personnel Services	16,000	15,419	14,556	863
Employee Benefits	11,274	11,287	1,676	9,611
Professional & Tech Services	0	0	0	0
Other Purchased Services	0	129	129	0
Supplies	0	0	0	0
Total Support Services-Students	<u>27,274</u>	<u>26,835</u>	<u>16,361</u>	<u>10,474</u>
Total Expenditures	<u>27,274</u>	<u>26,835</u>	<u>16,361</u>	<u>10,474</u>
Excess (Deficiency) of Revenues Over Expenditures	(14,774)	(14,335)	(4,156)	10,179
Cash Balance Beginning of Year	<u>14,784</u>	<u>14,784</u>	<u>14,784</u>	<u>0</u>
Cash Balance End of Year	\$ <u>10</u>	\$ <u>449</u>	\$ <u>10,628</u>	\$ <u>10,179</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(4,156)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(4,156)</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 CAPITAL PROJECTS FUND-PUBLIC SCHOOL CAPITAL OUTLAY-STATE-31400
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 34,262	\$ 34,262	\$ 0
Total Revenues	<u>0</u>	<u>34,262</u>	<u>34,262</u>	<u>0</u>
Expenditures				
Capital Outlay				
Land Improvements	0	34,262	34,262	0
Total Capital Outlay	<u>0</u>	<u>34,262</u>	<u>34,262</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>34,262</u>	<u>34,262</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 CAPITAL PROJECT FUND-SENATE BILL NINE-31700
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 59,392	\$ 59,392	\$ 59,107	\$ (285)
State Grant	56,108	65,108	32,224	(32,884)
Total Revenues	<u>115,500</u>	<u>124,500</u>	<u>91,331</u>	<u>(33,169)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	600	700	590	110
Total Support Services-General Administration	<u>600</u>	<u>700</u>	<u>590</u>	<u>110</u>
Capital Outlay				
Purchased Property Services	63,016	113,808	74,318	39,490
Supplies	16,000	19,026	19,026	0
Supply Assets	12,000	14,000	11,421	2,579
Total Capital Outlay	<u>91,016</u>	<u>146,834</u>	<u>104,765</u>	<u>42,069</u>
Total Expenditures	<u>91,616</u>	<u>147,534</u>	<u>105,355</u>	<u>42,179</u>
Excess (Deficiency) of Revenues Over Expenditures	23,884	(23,034)	(14,024)	9,010
Cash Balance Beginning of Year	<u>23,034</u>	<u>23,034</u>	<u>23,034</u>	<u>0</u>
Cash Balance End of Year	\$ <u>46,918</u>	\$ <u>0</u>	\$ <u>9,010</u>	\$ <u>9,010</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (14,024)	
Net change in Taxes Receivable			(948)	
Net change in Accounts Payable			(236)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(15,208)</u>	

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOL DISTRICT
DEBT SERVICE-EDUCATION TECHNOLOGY-43000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 0	\$ 65	\$ 1,342	\$ 1,277
Total Revenues	<u>0</u>	<u>65</u>	<u>1,342</u>	<u>1,277</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	<u>0</u>	<u>65</u>	<u>14</u>	<u>51</u>
Total Support Services-General Administration	<u>0</u>	<u>65</u>	<u>14</u>	<u>51</u>
Total Expenditures	<u>0</u>	<u>65</u>	<u>14</u>	<u>51</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	1,328	1,328
Cash Balance Beginning of Year	<u>7,777</u>	<u>7,777</u>	<u>7,777</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 7,777</u>	<u>\$ 7,777</u>	<u>\$ 9,105</u>	<u>\$ 1,328</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,328	
Net change in Taxes Receivable			<u>(231)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 1,097</u>	

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

OTHER SUPPLEMENTAL INFORMATION

FIDUCIARY FUND

Activity Trust Fund

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Fiduciary Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2011

	Balance 06/30/10	Additions	Deletions	Balance 06/30/11
Sim Brown Scholarship	\$ 626	\$ 5,500	\$ 6,000	\$ 126
SECCC Scholarship	1,014	0	0	1,014
AC Arellano Scholarship	0	500	500	0
HS Library	732	0	0	732
Investment-Sim Brown School	134,023	35,537	5,696	163,864
Elementary Library	3,303	1,021	2,244	2,080
Elem Activity	702	649	568	783
Silk Screening	556	13,792	8,559	5,789
Class of 2011	595	0	578	17
Class 2012	224	50	0	274
Class of 2013	75	0	0	75
Class of 2014	0	35	0	35
High School Activity	210	1,827	2,019	18
Yearbook	0	10	0	10
ES Dellinger Scholarship	0	500	500	0
JH Honor Society	89	0	0	89
Cheerleaders	137	775	846	66
Athletic Fund Raiser	198	9,662	6,169	3,691
Springer Book	1,000	0	0	1,000
High School Mesa	374	200	553	21
JR High School Mesa	398	3,757	2,945	1,210
Arellano Scholarship-CD	16,769	0	0	16,769
Dellinger Scholarship-CD	9,587	2	0	9,589
AR Program	9,129	8,156	7,054	10,231
	<u>\$ 179,741</u>	<u>\$ 81,973</u>	<u>\$ 44,231</u>	<u>\$ 217,483</u>
LIABILITIES				
Deposits Held for Others	\$ 179,741	\$ 81,973	\$ 44,231	\$ 217,483
Total Liabilities	<u>\$ 179,741</u>	<u>\$ 81,973</u>	<u>\$ 44,231</u>	<u>\$ 217,483</u>

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

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
Cash Reconciliations - All Funds
For the Year Ended June 30, 2011

		Beginning Cash Balance 6/30/10	Revenue	Expenditures	Ending Cash Balance 6/30/11
Operational	11000	\$ 167,748	\$ 2,386,471	\$ 2,389,819	\$ 164,400
Transportation	13000	51,308	167,135	213,518	4,925
Instructional Materials	14000	5,147	8,091	6,322	6,916
Food Services	21000	4,129	110,952	102,392	12,689
Athletics	22000	570	35,282	35,034	818
Federal Flowthrough	24000	(80,786)	255,605	203,384	(28,565)
Federal Direct	25000	6,464	143,839	145,446	4,857
State Flowthrough	27000	5,373	4,665	17,986	(7,948)
State Direct	28000	(97)	0	0	(97)
Local/State	29000	14,783	124,399	16,361	122,821
Bond Building	31100	589,017	0	412,905	176,112
Special Capital Outlay State	31400	0	34,262	34,262	0
Senate Bill Nine	31700	23,034	91,331	105,355	9,010
Debt Service	41000	164,706	255,838	224,170	196,374
Debt Service-Ed Tech	43000	7,777	1,342	14	9,105
Agency Funds		179,741	81,972	44,230	217,483
Total		<u>\$ 1,138,914</u>	<u>\$ 3,701,184</u>	<u>\$ 3,951,198</u>	<u>\$ 888,900</u>

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

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

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

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the SPRINGER MUNICIPAL SCHOOLS

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of SPRINGER MUNICIPAL SCHOOLS, (District), as of and for the year ended June 30, 2011, and have issued our report thereon dated August 29, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above. However, we identified one deficiency in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency in internal control over financial reporting; 10-3. A significant deficiency is a deficiency, or a 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 District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is describe in the accompanying schedule of findings and responses as item 10-3.

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

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

 CPA PC

August 29, 2011

STATE OF NEW MEXICO
SPRINGER MUNICIPAL SCHOOLS
Schedule of Findings and Responses
For the Year Ended June 30, 2010

Prior Year Audit Findings

10-1	Employee Files	Resolved
10-2	Reporting of NMPSIA	Resolved
10-3	Reporting of RHCA	Repeated & Modified
10-4	50/50 Fundraiser	Resolved
10-5	Cash Appropriations in Excess of Available Cash Balances	Resolved
10-06	Late Audit Report	Resolved

Current Year Audit Findings

10-3 Reporting of RHCA-Compliance and Internal Control-Significant Deficiency

Condition

During the payroll sampling we noticed that of the 12 months, 4 months wages of \$4,936.13 were under reported to RHCA. The employee percentage totaled \$41.12 and the employer percentage totaled \$82.24 for a total of \$123.36.

Criteria

The Office of the State Auditor has added NMRHCA to their 2010 State Auditor Rule under State Compliance, Section 2.2.2.10 (G) (19). The rule states: "Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978). Auditors should test to ensure 100% of payroll is reported to NMRHCA. RHCA employer and employee contributions are set forth in Section 10-7C-15 NMSA 1978. As of June 30, 2010 the contribution rates will increase. See applicable statute for more information.

Effect

Because the employees were not substitutes, or less than .25 FTE RHCCA contributions should have been made by both employee and employer. As a result the District has misreported its wages to the NMRHCA and is out of compliance with the state statute. The District also could have additional expenditures due to mistake.

Cause

There was a conversion of software to Enterprise Visions. During the conversion, the payroll setup was not correct.

Recommendation

We recommend that the district properly report wages to the NMRHCA Board and implement procedures to ensure wages are properly reported and contributions are paid accurately and timely.

Response

We have corrected the issue and will review payroll reports before submission.

Financial Statement Preparation

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

Exit Conference

An exit conference was held on August 29, 2011 with Dr Gregory McMann-Superintendent, Raughn Ramirez-Board Member, Jeff Burton-audit committee member, Nejla Munden-Business Manager and De'Aun Willoughby, CPA.