

STATE OF NEW MEXICO



TULAROSA MUNICIPAL SCHOOLS

ANNUAL FINANCIAL REPORT

JUNE 30, 2008

(This page intentionally left blank.)

INTRODUCTORY SECTION

(This page intentionally left blank.)

STATE OF NEW MEXICO
Tularosa Municipal Schools
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2008

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
INTRODUCTORY SECTION		
Table of Contents		1
Official Roster		5
FINANCIAL SECTION		
Independent Auditor’s Report		9
Management’s Discussion and Analysis		13
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Assets	A-1	20
Statement of Activities	A-2	22
Fund Financial Statements:		
Balance Sheet – Governmental Funds	B-1	24
Reconciliation of the Balance Sheet to the Statement of Net Assets		27
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		31
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Operational Fund	C-1	33
Transportation Fund	C-2	34
Instructional Materials Fund	C-3	35
Impact Aid Special Ed Special Revenue Fund	C-4	36
Impact Aid Indian Education Special Revenue Fund	C-5	47
Statement of Fiduciary Assets and Liabilities	D	39
Notes to the Financial Statements		41
SUPPLEMENTARY INFORMATION		
Combining and Individual Fund Statements and Schedules:	<u>Statement/ Schedule</u>	
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	76

STATE OF NEW MEXICO
Tularosa Municipal Schools

	<u>Statement/ Schedule</u>	<u>Page</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Food Service Special Revenue Fund	A-3	85
Athletics Special Revenue Fund	A-4	86
Non-Instructional Support Special Revenue Fund	A-5	87
Title I Special Revenue Fund	A-6	88
IDEA B Entitlement Special Revenue Fund	A-7	89
IDEA B Discretionary Special Revenue Fund	A-8	90
IDEA-B Preschool Special Revenue Fund	A-9	91
Carl D. Perkins Voc Ed Special Revenue Fund	A-10	92
Enhancing Education thru Tech (E2T2-F) Special Revenue Fund	A-11	93
Enhancing Education thru Tech (E2T2-C) Special Revenue Fund	A-12	94
Title V Part A Innovative Ed Pro Strategies Special Revenue Fund	A-13	95
Teacher/Principal Training & Recruiting Special Revenue Fund	A-14	96
Safe & Drug Free Schools & Community Special Revenue Fund	A-15	97
Rural & Low Income Schools Special Revenue Fund	A-16	98
Technology for Education PED Special Revenue Fund	A-17	99
Obesity Program PED Special Revenue Fund	A-18	100
Incentive for School Improvement Special Revenue Fund	A-19	101
Beginning Teacher Mentoring Special Revenue Fund	A-20	102
Libraries-GO Bonds, Laws of 2006 Special Revenue Fund	A-21	103
Breakfast for Elementary Students Special Revenue Fund	A-22	104
Technology Equity Special Revenue Fund	A-23	105
Gear Up CHE Special Revenue Fund	A-24	106
Bond Building Capital Projects Fund	A-25	107
Public School Capital Outlay Capital Projects Fund	A-26	108
Special Capital Outlay State Capital Projects Fund	A-27	109
Capital Improvements SB-9 Capital Projects Fund	A-28	110
Public School Capital Outlay 20% Capital Projects Fund	A-29	111
Debt Service Fund	A-30	112
 SUPPORTING SCHEDULES		
Schedule of Changes in Assets and Liabilities – Agency Funds	B	117
Schedule of Collateral Pledged by Depository	I	121
Schedule of Deposit and Investment Accounts	II	123
Cash Reconciliation	III	124

STATE OF NEW MEXICO
Tularosa Municipal Schools

	<u>Statement/ Schedule</u>	<u>Page</u>
COMPLIANCE SECTION		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		131
FEDERAL FINANCIAL ASSISTANCE		
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133		137
Schedule of Expenditures of Federal Awards	IV	141
Schedule of Findings and Questioned Costs	V	142
OTHER DISCLOSURES		143

(This page intentionally left blank.)

STATE OF NEW MEXICO
Tularosa Municipal Schools

OFFICIAL ROSTER
June 30, 2008

<u>Name</u>		<u>Title</u>
	<u>Board of Education</u>	
Jimmie Tucker		President
Jimmy Bridge II		Vice President
Doyle Syling		Secretary
Mike Mackechenie		Member
Brenda Yousif		Member
	<u>School Officials</u>	
Brenda Vigil		Superintendent
Kathleen Richardson		Business Manager

(This page intentionally left blank.)

FINANCIAL SECTION

(This page intentionally left blank.)

INDEPENDENT AUDITOR'S REPORT

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget and
The Governing Board
Tularosa Municipal Schools
Tularosa, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparison statements of the general fund activities of Tularosa Municipal Schools (the "District") as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements and budgetary comparison statements of each of the District's nonmajor governmental funds and the Bond Building Fund and Debt Service Fund and each fiduciary fund presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008 as listed in the table of contents. These financial statements are the responsibility of Tularosa Municipal Schools' 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. 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 Tularosa Municipal Schools, as of June 30, 2008, and the respective changes in financial position, thereof and the respective budgetary comparison statements for the general 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 and each fiduciary fund of Tularosa Municipal Schools as of June 30, 2008, and the respective changes in financial position thereof and the respective budgetary comparison statements for each nonmajor governmental fund and the Bond Building Fund and Debt Service Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

(This page intentionally left blank.)

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2008 on our consideration of the Tularosa Municipal Schools' 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 *Management's Discussion and Analysis* presented on pages 13-18 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tularosa Municipal Schools' basic financial statements, the combining and individual fund financial statements, and the budgetary comparison statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The accompanying financial information listed as supporting Schedules I through III in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Tularosa Municipal Schools. Such information has been subjected to the auditing procedures applied in the audit of the basic and each of the nonmajor governmental fund financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The Introductory Section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

Precision Accounting, LLC
Albuquerque, New Mexico
October 28, 2008

(This page intentionally left blank.)

State of New Mexico Tularosa Municipal School District No. 47
Management's Discussion and Analysis

As management of the Tularosa Municipal School District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2008. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

In June 1999, GASB approved Statement #34 "Basic Financial Statements and Management Discussion and Analysis for State and Local Government". In June 2001, the GASB approved Statement #37 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus" and Statement #38 "Certain Financial Statement Note Disclosures". Statement #37 clarifies and modifies Statement #34 and should be implemented simultaneously with Statement #34. Statement #38 modifies, establishes and rescinds certain financial statement disclosure requirements. The District implemented the provisions of the above statements effective July 1, 2003.

Financial Highlights

Key financial highlights for fiscal year ended June 30, 2008 are as follows:

- The assets of the District exceeded its liabilities at the end of the fiscal year by \$12,956,448 (net assets). Of this amount, \$8,586,219 is invested in capital assets, \$1,599,417 is restricted for Capital Projects, \$779,224 is restricted for Debt Service, and \$1,991,588 is unrestricted and may be used to meet the District's ongoing obligations.
- The District's total net assets decreased by \$343,238, which is reflected in the District's Statement of Activities.
- The District's liabilities increased by \$640,973 in fiscal year 2008. This increase is largely due to the issuance of new bonds this fiscal year.
- At June 30, 2008, the unreserved and undesignated fund balance for the general fund was \$1,242,522, which reflects an increase of \$115,954 from the previous fiscal year.
- As part of the implementation of GASB 34, total accumulated depreciation on capital assets as of June 30, 2008 is \$19,905,290. This includes current year depreciation in the amount of \$783,282.
- Capital Outlay expenditures increased from \$451,373 in the year ending June 30, 2007 to \$804,483 in the year ending June 30, 2008. The increase in expenditures was largely due to the updating of technology infrastructure, and purchasing laptop computers for students this fiscal year. Capital Outlay expenditures in this fiscal year included the purchase of a bus, athletic equipment, copiers/printers, a server, installing wireless technology, laptop computers for both 7th and 9th grade students, and other office equipment. These projects were funded utilizing Operational monies, Bond Building monies, Special Capital Outlay State monies, Capital Improvements SB-9 monies, and Technology Equity monies.
- The District's general obligation bond debt balance is \$3,520,000. This balance reflects a \$480,000 increase due the net offset of paying principle payments on old bonds and issuing new debt. Voters authorized two new bonds in the total amount of \$865,000. One issue was sold in July 2007 and the other in May 2008. These bond sales were authorized by voters in an election which allows the District to issue the debt over an eight year period.

Basic Financial Statements

In general, the purpose of financial reports is to provide external parties reading the financial statements with information that will help them to make decisions or draw conclusions about the reporting entity. There are many external parties that read and use the District's financial statements; however, these parties do not always have the same objectives. This annual report consists of a series of financial statements and notes to those statements. These statements are organized so that the reader may understand the District's overall financial position. In accordance with required reporting requirements, the District presents (1) government-wide financial statements and (2) fund financial statements.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to that of a private sector business.

The *statement of net assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how -the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods (e.g. uncollected taxes).

Both the *statement of net assets* and the *statement of activities* distinguish functions of the District that are primarily supported by property taxes and state revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through fees and charges. The governmental activities of the District include education, pupil transportation, food service and community service. The District does not have any business-type activities.

The *government-wide financial statements* can be found on Exhibits A-1 and A-2 on pages 14 through 17 of the financial statements.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities of objectives. The District, like other school districts, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

Government Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available as the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. A reconciliation to facilitate the comparison of the governmental funds and governmental activities has been provided.

--The District has four individual governmental fund groups. Information is presented separately in the governmental fund balance sheets and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the following funds:

- General Fund
- Debt Service Fund
- Capital Projects Fund
- Special Revenue Funds

The basic governmental fund financial statements can be found on Exhibits B-1 and B-2 on pages 18 through 25 of the financial statements.

Fiduciary Funds

Fiduciary Funds are used to account for resources held in trust for the benefit of parties outside the District. Fiduciary fund financial statements consist of a statement of fiduciary net assets and a statement of changes in fiduciary net assets. These funds are not reported in the government-wide financial statements.

The fiduciary fund financial statements can be found in Exhibit D on page 33 of the financial statements.

Overview of the District's Financial Position and Operations the District's overall financial position and operations for the current year as compared to the previous fiscal year are as follows:

TULAROSA MUNICIPAL SCHOOL DISTRICT'S NET ASSETS COMPARATIVE DATA

TULAROSA MUNICIPAL SCHOOL DISTRICT'S NET ASSETS
COMPARATIVE DATA

	Current Year 2008	Prior Year 2007
Assets		
Cash and Other Equivalents	\$ 4,524,023	\$ 3,935,324
Current and Other Assets	\$ 440,189	\$ 168,980
Capital Assets, Net	\$12,251,119	\$12,802,270
TOTAL ASSETS	\$17,215,331	\$16,904,574
Liabilities		
Current Liabilities	\$ 1,137,478	\$ 1,508,609
Noncurrent Liabilities		
Due within one year	\$ 21,405	\$ 20,826
Due in more than one year	\$ 3,100,000	\$ 2,695,000
TOTAL LIABILITIES	\$ 4,258,883	\$ 3,774,435
Net Assets		
Invested in Capital Assets, net related of debt	\$ 8,586,219	\$ 9,597,553
Restricted:		
Debt Services	\$ 779,224	\$ 427,368
Capital Projects	\$ 1,599,417	\$ 1,895,165
Unrestricted	\$ 1,991,588	\$ 1,379,600
TOTAL NET ASSETS	\$12,956,448	\$13,299,686

As noted in the schedule above, 14.99% of the District's net assets are unrestricted in nature and can be used at the *discretion* of the District and to meet ongoing obligations to creditors and stakeholders. 6.0% is

restricted for the stated -purpose. The remaining 66.59% of the District's net assets are invested in capital assets, net of related debt. This indicates that the accumulated depreciation along with the asset values exceed existing debt.

Governmental activities decreased the District's overall net assets by \$343,238. This decrease was the affect of the increase in total assets of \$251,950 offset by the increase in total liabilities of \$865,000. Nonetheless, the District's liquidity, the ability to convert assets into cash to pay for obligations and commitments, remains secure. Cash and cash equivalents represent almost 92.3 % of the District's current assets indicating a highly liquid position.

The major elements of the District's governmental activities contributing to the decrease in the change in net assets are listed on the next page.

**TULAROSA MUNICIPAL SCHOOL DISTRICT'S CHANGES IN NET ASSETS
COMPARATIVE DATA**

Revenues:	2008	2007
Program Revenues		
Charges for Services	\$ 189,877	\$ 124,065
Operating Grants & Contributions	\$ 2,769,960	\$ 2,716,075
Capital Grants & Contributions	\$ 385,381	\$ 435,139
Total Program Revenues	\$ 3,345,218	\$ 3,275,279
General Revenues:		
Property Taxes		
General Purpose	\$ 29,859	\$ 24,880
Debt Service	\$ 524,158	\$ 562,600
Capital Projects	\$ 121,217	\$ 120,404
Grants & Contributions, not restricted	\$ 7,779,621	\$ 7,721,992
Unrestricted Investment Earnings	\$ 21,453	\$ 33,001
Miscellaneous Income	\$ -	\$ 78,529
Total General Revenues	\$ 8,476,883	\$ 8,475,316
TOTAL REVENUES	\$ 11,822,101	\$ 11,750,595
Expenditures:		
Direct Instruction	\$ 6,809,810	\$ 6,780,920
Students	\$ 913,016	\$ 865,204
Instruction	\$ 446,880	\$ 373,850
General Administration	\$ 293,703	\$ 367,709
School Administration	\$ 666,848	\$ 660,182
Central Services	\$ 238,032	\$ 227,803
Operation & Maintenance of Plant	\$ 1,099,059	\$ 1,090,964
Student Transportation	\$ 525,119	\$ 502,383
Other Support Services	\$ 1,912	\$ -
Food Services	\$ 476,818	\$ 369,276
Capital Outlay	\$ 552,553	\$ 353,110
Interest on Long term debt	\$ 141,609	\$ 127,542
TOTAL EXPENDITURES	\$ 12,165,339	\$ 11,718,943
<i>Change in Net Assets</i>	<i>\$ (343,238)</i>	<i>\$ 3 1,652</i>
Net Assets, Beginning of Year	\$ 13,299,686	\$ 13,268,034
Net Assets, End of Year	\$ 12,956,448	\$ 13,299,686

State of New Mexico Tularosa Municipal School District No. 47

As noted above, the District is heavily dependent on federal and state aid, which comprises 94.37% of its total revenues. Correspondingly, it spends almost 75.1% of total revenues on direct instruction and instructional support the two primary functions that indicate direct school spending.

General Fund Budgetary Highlights

Budget to actual comparison schedules are presented for all major funds and non major funds individually in Exhibit C-1 through C-5 and Schedules A-3 through A-29. In addition, budget to actual comparison schedules were presented for each individual fund in the supplementary information section of this report. These schedules are prepared on a cash basis which is the format allowed by the District's oversight agency, the New Mexico Public Education Department.

The original expenditure budget for the District's general fund was increased by \$307,304. The increase resulted from an increase in the final unit value set by the State which resulted from an increase in the districts state equalization guarantee funding. The final expenditure budget was \$7,779,621 of which \$7,370,787 was expended in the current year. Budgets were not exceeded in any of the functions in the general fund.

Of the almost \$8,050,742 revenue budget, \$8,139,114 (100.1%) of the budget was received during the year. The over-budget amount of revenues received was due to various increases in the actual amounts received as opposed to what was intentionally projected.

The original expenditure budget in the District's debt service fund did not increase for this year. Surplus cash balances were used to pay bond principal payments on old bond series. Even with this use of cash, the District maintains a strong financial position in the debt service fund.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets as of June 30, 2008 is \$8,586,219. These assets include land and land improvements, building and building improvements, equipment and furniture, and vehicles. There were no major construction projects completed in the District in this fiscal year. Assets decreased approximately 11.7% from prior fiscal year largely due to an increase in debt service.

Depreciation calculated as a result of GASB 34 implementation resulted in an accumulated depreciation balance of \$19,905,290, of which \$783,282 is for depreciation in the current year. Additional information of the District's capital assets is presented in Note 7 on page forty-eight (48) of the financial statements.

Long-term obligations

At the end of the current year, the district had \$3,520,000 in long-term debt related to governmental activities. Of this debt, 100% was related to general obligation bonds still outstanding at the end of the year. The debt position of the District is summarized below and is more fully analyzed in Note 8 on page forty-nine (49) of the financial statements.

TULAROSA MUNICIPAL SCHOOL DISTRICT'S LONG-TERM OBLIGATION

Governmental Activities:

General Obligation Debt

	<u>Bal @7-1-07</u>	<u>Additions</u>	<u>Deletions</u>	<u>Bal @ 6-30-08</u>	<u>Due W/in One Year</u>
<i>TOTAL</i>	\$3,040,000	\$865,000	\$385,000	\$3,520,000	\$420,000

During FY 2008, the District issued \$865,000 in new General Obligation School Building Bonds Series 2008. During the fiscal year, the District reduced total bond debt principle by \$385,000 in accordance with schedule bond payments. Of this amount, \$75,000 was used to retire the old bond series.

The most recent issuances by the District have received the following credit ratings:

- The \$865,000 bonds issued in May 2008 received an enhanced AA2 rating.

The enhanced rating is partly due to recent legislative action that guarantees payment to the bondholders in the event of default by the District.

Relevant Current Economic Factors, Decisions and Conditions

As in prior years, the District continues to experience a decline in student population. Since the District, like all other New Mexico school districts, is funded on a prior year funding formula, (the student population from this year will determine the amount of funding received in the following year), it must maintain tight budgetary controls in order to meet current year needs with last year's funding. The District's primary general source of revenues is derived from the formula. The District anticipates that the student population will continue to decline with approximately 930 students.

With respect to property taxes, the District's tax rate has remained stable over the last few years due to the bond program implemented by the District. In general, as old debt is retired, new debt is issued; thereby maintaining a non-residential rate of approximately \$2.00 per \$1,000 assessed valuation. On February 3rd, 2004, the voters approved a \$2.00 mill levy for capital improvements; and in the months of July 2007 and May 2008, \$365,000 and \$500,999 respectively, of the bonds were sold. Final sale of the February 2004 approved bonds will occur in November 2008. A new vote for bonds approximating 2.2 million with no anticipated tax rate increase will be held in February 2009. Continuing construction needs with the District's plan to renovate/upgrade the high school in order to meet adequacy standards for 325 students grades 9-12 as well as the need to upgrade equipment and technology adequacy, the District requires funding from taxpayers as well as continued support through direct legislative appropriations. The district estimates the construction of the renovation/upgrade of the high school to begin in mid April 2008.

Request for Information

This financial report is designed to provide various interested parties with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or require additional information, contact the District's Finance Department as follows:

Kathleen Richardson Business Manager 505-585-8819
Physical and Mailing Address:
504 First Street
Tularosa, NM 88352
e-mail: krichardson@tularosa.k12.nm.us

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2008

Exhibit A-1
(Page 1 of 2)

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 4,524,023
Taxes Receivables	83,801
Due from other Governments	346,507
Inventory	9,881
Total current assets	<u>4,964,212</u>
Noncurrent assets:	
Bond issuance costs (net of amortization of \$49,192)	144,900
Capital assets:	
Other capital assets	32,011,509
Less accumulated depreciation	<u>(19,905,290)</u>
Total Capital assets	<u>12,106,219</u>
Total noncurrent assets	<u>12,251,119</u>
Total assets	<u><u>\$ 17,215,331</u></u>

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2008

Exhibit A-1
(Page 2 of 2)

	<u>Governmental Activities</u>
LIABILITIES AND NET ASSETS	
Current liabilities:	
Accounts payable	\$ 25,406
Accrued salaries and benefits	453,877
Accrued Compensated Absences	21,405
Accrued interest	53,320
Deferred revenue	184,875
Current portion of long-term debt	420,000
Total current liabilities	<u>1,158,883</u>
Noncurrent liabilities:	
Bonds, loans and other payables:	
Due in more than one year	3,100,000
Total noncurrent liabilities	<u>3,100,000</u>
Total liabilities	<u>4,258,883</u>
Net assets:	
Invested in capital assets, net of related debt	8,586,219
Unrestricted	1,991,588
Restricted for Capital Projects Funds	1,599,417
Restricted for Debt Service Funds	779,224
Total net assets	<u>12,956,448</u>
Total liabilities and net assets	<u><u>\$ 17,215,331</u></u>

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Service</u>
Governmental activities:		
Instruction:		
Direct instruction	\$ 6,809,810	\$ 303
Support services:		
Students	913,016	-
Instruction	446,880	-
General Administration	293,703	-
School Administration	666,848	-
Central Services	238,032	25,973
Operation & Maintenance of Plant	1,651,592	-
Student Transportation	525,119	-
Other Support Services	1,912	125,373
Food Services	476,818	38,228
Capital Outlay	-	-
Interest on long-term debt	141,609	-
	<u>12,165,339</u>	<u>189,877</u>
Total governmental activities	<u>\$ 12,165,339</u>	<u>\$ 189,877</u>

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

<u>Program Revenues</u>		<u>Net</u>
<u>Operating</u>	<u>Capital</u>	<u>(Expenses)</u>
<u>Grants and</u>	<u>Grants and</u>	<u>Revenues and</u>
<u>Contributions</u>	<u>Contributions</u>	<u>Changes in</u>
		<u>Net Assets</u>
\$ 1,899,639	\$ -	\$ (4,909,868)
-	385,381	(527,635)
-	-	(446,880)
-	-	(293,703)
-	-	(666,848)
-	-	(212,059)
-	-	(1,651,592)
482,060	-	(43,059)
-	-	123,461
388,261	-	(50,329)
-	-	-
-	-	(141,609)
<u>\$ 2,769,960</u>	<u>\$ 385,381</u>	<u>(8,820,121)</u>

General Revenues:

Property taxes:	
Levied for general purposes	29,859
Levied for debt service	524,158
Levied for capital projects	121,792
State aid not restricted	7,779,621
Unrestricted investment earnings	21,453
	<u>8,476,883</u>
Total general revenues	
	<u>8,476,883</u>
Change in net assets	(343,238)
Net assets - beginning	13,299,686
Net assets - ending	<u>\$ 12,956,448</u>

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2008

	General Fund			Impact Aid
ASSETS	Operational	Transportation	Instructional Materials	Special Education
<i>Current Assets</i>				
Cash and cash equivalents	\$ 1,307,988	\$ 6,657	\$ 25,937	\$ 11,138
Investments	-	-	-	-
Accounts receivable				
Taxes	59,145	-	-	-
Due from other governments	50	-	-	-
Other accounts receivable	-	-	-	-
Interfund receivable	368,491	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 1,735,674</u>	<u>\$ 6,657</u>	<u>\$ 25,937</u>	<u>\$ 11,138</u>
 LIABILITIES AND FUND BALANCES				
<i>Current Liabilities</i>				
Accounts payable	\$ 13,398	\$ -	\$ -	\$ -
Accrued salaries and benefits	453,877	-	-	-
Interfund payable	-	-	-	-
Deferred revenue	58,471	-	-	11,138
<i>Total liabilities</i>	<u>525,746</u>	<u>-</u>	<u>-</u>	<u>11,138</u>
 <i>Fund Balances</i>				
Reserved:				
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved:				
Designated for subsequent year's expenditures reported in:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Undesignated, reported in:				
General Fund	1,209,928	6,657	25,937	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
<i>Total fund balances</i>	<u>1,209,928</u>	<u>6,657</u>	<u>25,937</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,735,674</u>	<u>\$ 6,657</u>	<u>\$ 25,937</u>	<u>\$ 11,138</u>

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

Impact Aid Indian Education	Bond Building	Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 114,240	\$ 2,081,680	\$ 373,704	\$ 602,679	\$ 4,524,023
-	-	-	-	-
-	-	20,520	4,136	83,801
-	-	-	346,457	346,507
-	-	-	-	-
-	-	-	-	368,491
-	-	-	9,881	9,881
<u>\$ 114,240</u>	<u>\$ 2,081,680</u>	<u>\$ 394,224</u>	<u>\$ 963,153</u>	<u>\$ 5,332,703</u>
\$ -	\$ -	\$ -	\$ 12,008	\$ 25,406
-	-	-	-	453,877
-	-	-	368,491	368,491
114,240	-	5,116	60,072	249,037
<u>114,240</u>	<u>-</u>	<u>5,116</u>	<u>440,571</u>	<u>1,096,811</u>
-	-	-	9,881	9,881
-	-	389,108	-	389,108
-	-	-	-	-
-	-	-	-	-
-	2,081,680	-	512,701	2,594,381
-	-	-	-	1,242,522
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>2,081,680</u>	<u>389,108</u>	<u>522,582</u>	<u>4,235,892</u>
<u>\$ 114,240</u>	<u>\$ 2,081,680</u>	<u>\$ 394,224</u>	<u>\$ 963,153</u>	<u>\$ 5,332,703</u>

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
 June 30, 2008

Exhibit B-1
 (Page 2 of 2)

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

Fund balances - total governmental funds	\$	4,235,892
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets		12,106,219
Other assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:		
Property taxes		42,757
Bond issuance costs		144,900
Other liabilities are not due and payable in the current period and therefore are not reported in the funds - accrued interest payable		(53,320)
Long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and therefore are not reported in the funds		<u>(3,520,000)</u>
Net Assets of Governmental Activities in the Statement of Net Assets	\$	<u><u>12,956,448</u></u>

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

	General Fund			Impact Aid Special Education
	Operational	Transportation	Instructional Materials	
<i>Revenues:</i>	\$	\$	\$	\$
Taxes				
Taxes levied/assessed	21,582	-	-	-
Local sources				
Tuition	-	-	-	-
Investment income	9,344	167	-	-
Food services	-	-	-	-
District activities	303	-	-	-
Other revenue	66,833	57	188	-
State sources				
Unrestricted Grants	7,779,621	-	-	-
Restricted Grants	-	482,060	104,204	-
Federal sources				
Unrestricted Grants	325,346	-	-	29,721
Unrestricted -state passthrough	-	-	-	-
Restricted Grants	-	-	-	-
Restricted -state passthrough	-	-	-	-
Department of Interior	-	-	-	-
Other items	-	-	-	-
<i>Total revenues</i>	<u>8,203,029</u>	<u>482,284</u>	<u>104,392</u>	<u>29,721</u>
<i>Expenditures:</i>				
Current:				
Instruction	4,780,036	-	89,605	28,300
Support Services				
Students	742,197	-	-	1,421
Instruction	265,633	-	8,734	-
General Administration	271,970	-	-	-
School Administration	665,187	-	-	-
Central Services	233,682	-	-	-
Operation & maintenance of plant	1,099,059	-	-	-
Student transportation	-	515,971	-	-
Other Support Services	1,912	-	-	-
Operation of Non-instructional Services				
Food services operations	238	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>8,059,914</u>	<u>515,971</u>	<u>98,339</u>	<u>29,721</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>143,115</u>	<u>(33,687)</u>	<u>6,053</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers (In) Out	473	-	-	-
Bond Premium	-	-	-	-
Bond Proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>473</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	143,588	(33,687)	6,053	-
<i>Fund balances - beginning of year</i>	1,066,340	40,344	19,884	-
<i>Fund balances - end of year</i>	<u>\$ 1,209,928</u>	<u>\$ 6,657</u>	<u>\$ 25,937</u>	<u>\$ -</u>

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

Impact Aid Indian Education	Bond Building	Debt Service	Other Governmental Funds	Total Governmental Funds
\$	\$	\$	\$	\$
-	-	519,042	121,217	661,841
-	-	-	-	-
-	8,060	944	3,411	21,926
-	-	-	38,228	38,228
-	-	-	84,165	84,468
-	-	-	103	67,181
-	-	-	-	-
-	-	-	25,114	7,804,735
-	-	-	496,927	1,083,191
41,904	-	-	-	396,971
-	-	-	-	-
-	-	-	-	-
-	-	-	1,625,986	1,625,986
-	-	-	-	-
-	-	-	24,079	24,079
<u>41,904</u>	<u>8,060</u>	<u>519,986</u>	<u>2,419,230</u>	<u>11,808,606</u>
16,306	-	-	1,120,850	6,035,097
21,248	-	-	148,150	913,016
-	-	-	172,513	446,880
-	-	5,187	16,546	293,703
-	-	-	1,661	666,848
4,350	-	-	-	238,032
-	-	-	552,533	1,651,592
-	-	-	-	515,971
-	-	-	-	1,912
-	-	-	-	-
-	-	-	463,884	464,122
-	146,041	-	105,909	251,950
-	-	385,000	-	385,000
-	-	128,294	-	128,294
<u>41,904</u>	<u>146,041</u>	<u>518,481</u>	<u>2,582,046</u>	<u>11,992,417</u>
<u>-</u>	<u>(137,981)</u>	<u>1,505</u>	<u>(162,816)</u>	<u>(183,811)</u>
-	-	-	(473)	-
-	2,666	-	-	2,666
<u>-</u>	<u>865,000</u>	<u>-</u>	<u>-</u>	<u>865,000</u>
<u>-</u>	<u>867,666</u>	<u>-</u>	<u>(473)</u>	<u>867,666</u>
-	729,685	1,505	(163,289)	683,855
<u>-</u>	<u>1,351,995</u>	<u>387,603</u>	<u>685,871</u>	<u>3,552,037</u>
<u>\$ -</u>	<u>\$ 2,081,680</u>	<u>\$ 389,108</u>	<u>\$ 522,582</u>	<u>\$ 4,235,892</u>

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Exhibit B-2
 (Page 2 of 2)

For the year Ended June 30, 2008

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

Net change in fund balances - total governmental funds	\$	683,855
--	----	---------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures:		
Current year capital expenditures		115,607
Depreciation expense		(783,282)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:

Property taxes		363,462
----------------	--	---------

The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Bond Premium		2,666
Increase in compensated absences		(20,826)
Amortization of bond issuance costs		(24,720)
Issuance of new debt		(865,000)
Principal payments on bonds		185,000

Changes in Net Assets of Governmental Activities	\$	(343,238)
--	----	-----------

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

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
OPERATIONAL FUND

Exhibit C-1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ 33,540	\$ 33,540	24,803	\$ (8,737)
State sources	7,767,271	7,829,226	7,779,621	(49,605)
Federal sources	249,931	249,931	325,346	75,415
Interest	-	-	9,344	9,344
<i>Total revenues</i>	<u>8,050,742</u>	<u>8,112,697</u>	<u>8,139,114</u>	<u>26,417</u>
<i>Expenditures:</i>				
Current:				
Instruction	5,089,377	5,111,877	4,541,701	570,176
Support Services				
Students	1,028,751	1,063,751	741,871	321,880
Instruction	269,215	273,670	270,636	3,034
General Administration	453,390	453,390	274,680	178,710
School Administration	687,145	687,145	665,101	22,044
Central Services	-	245,349	233,682	11,667
Operation & maintenance of plant	1,195,349	1,195,349	1,090,859	104,490
Student transportation	-	-	-	-
Other Support Services	124,518	124,518	1,912	122,606
Operation of Non-instructional Services				
Food services operations	31,142	31,142	238	30,904
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>8,878,887</u>	<u>9,186,191</u>	<u>7,820,680</u>	<u>1,365,511</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(828,145)</u>	<u>(1,073,494)</u>	<u>318,434</u>	<u>1,391,928</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	473	473
Designated Cash	828,145	1,073,494	-	(1,073,494)
<i>Total other financing sources (uses)</i>	<u>828,145</u>	<u>1,073,494</u>	<u>473</u>	<u>(1,073,021)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>318,907</u>	<u>318,907</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,358,045</u>	<u>1,358,045</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,676,952</u>	<u>\$ 1,676,952</u>
<i>Net change in fund balance (Non-GAAP Budgetary basis)</i>			\$ 318,434	
<i>Adjustment to revenue for accruals and other deferrals</i>			1,702	
<i>Adjustment to expenditures for payables, prepaids and other accruals</i>			(176,548)	
<i>Net change in fund balance (GAAP basis)</i>			<u>\$ 143,588</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
TRANSPORTATION FUND

Exhibit C-2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	57	\$ 57
State sources	516,396	502,232	482,060	(20,172)
Federal sources	-	-	-	-
Interest	-	-	167	167
<i>Total revenues</i>	<u>516,396</u>	<u>502,232</u>	<u>482,284</u>	<u>(19,948)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	516,396	522,404	515,971	6,433
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>516,396</u>	<u>522,404</u>	<u>515,971</u>	<u>6,433</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(20,172)</u>	<u>(33,687)</u>	<u>(13,515)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	-	20,172	-	(20,172)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>20,172</u>	<u>-</u>	<u>(20,172)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(33,687)</u>	<u>(33,687)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>40,344</u>	<u>40,344</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,657</u>	<u>\$ 6,657</u>
<i>Net change in fund balance (Non-GAAP Budgetary basis)</i>			\$ (33,687)	
<i>Adjustment to revenue for accruals and other deferrals</i>			-	
<i>Adjustment to expenditures for payables, prepaids and other accruals</i>			-	
<i>Net change in fund balance (GAAP basis)</i>			<u>\$ (33,687)</u>	

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

STATE OF NEW MEXICO

Exhibit C-3

TULAROSA MUNICIPAL SCHOOLS
INSTRUCTIONAL MATERIALS FUNDSTATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	188	\$ 188
State sources	97,572	104,006	107,105	3,099
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>97,572</u>	<u>104,006</u>	<u>107,293</u>	<u>3,287</u>
<i>Expenditures:</i>				
Current:				
Instruction	89,672	112,254	89,605	22,649
Support Services				
Students	-	-	-	-
Instruction	7,900	8,735	8,734	1
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>97,572</u>	<u>120,989</u>	<u>98,339</u>	<u>22,650</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(16,983)</u>	<u>8,954</u>	<u>25,937</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	-	16,983	-	(16,983)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>16,983</u>	<u>-</u>	<u>(16,983)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>8,954</u>	<u>8,954</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>16,983</u>	<u>16,983</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,937</u>	<u>\$ 25,937</u>
<i>Net change in fund balance (Non-GAAP Budgetary basis)</i>			\$ 8,954	
<i>Adjustment to revenue for accruals and other deferrals</i>			(2,901)	
<i>Adjustment to expenditures for payables, prepaids and other accruals</i>			-	
<i>Net change in fund balance (GAAP basis)</i>			<u>\$ 6,053</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
IMPACT AID SPECIAL ED SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

Exhibit C-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -		\$ -
State sources	-	-		-
Federal sources	19,035	19,035	29,395	10,360
Interest	-	-		-
<i>Total revenues</i>	<u>19,035</u>	<u>19,035</u>	<u>29,395</u>	<u>10,360</u>
<i>Expenditures:</i>				
Current:				
Instruction	29,286	29,286	28,300	986
Support Services				
Students	1,500	1,500	1,421	79
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>30,786</u>	<u>30,786</u>	<u>29,721</u>	<u>1,065</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(11,751)</u>	<u>(11,751)</u>	<u>(326)</u>	<u>11,425</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	11,751	11,751	-	(11,751)
<i>Total other financing sources (uses)</i>	<u>11,751</u>	<u>11,751</u>	<u>-</u>	<u>(11,751)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(326)</u>	<u>(326)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>11,464</u>	<u>11,464</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,138</u>	<u>\$ 11,138</u>
<i>Net change in fund balance (Non-GAAP Budgetary basis)</i>			\$ (326)	
<i>Adjustment to revenue for accruals and other deferrals</i>			326	
<i>Adjustment to expenditures for payables, prepaids and other accruals</i>			-	
<i>Net change in fund balance (GAAP basis)</i>			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
IMPACT AID INDIAN ED SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

Exhibit C-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -		\$ -
State sources	-	-		-
Federal sources	-	-	70,635	70,635
Interest	-	-		-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>70,635</u>	<u>70,635</u>
<i>Expenditures:</i>				
Current:				
Instruction	45,394	45,394	16,306	29,088
Support Services				
Students	22,096	22,096	21,248	848
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	20,805	4,350	16,455
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>67,490</u>	<u>88,295</u>	<u>41,904</u>	<u>46,391</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(67,490)</u>	<u>(88,295)</u>	<u>28,731</u>	<u>117,026</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	67,490	88,295	-	(88,295)
<i>Total other financing sources (uses)</i>	<u>67,490</u>	<u>88,295</u>	<u>-</u>	<u>(88,295)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>28,731</u>	<u>28,731</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>85,509</u>	<u>85,509</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,240</u>	<u>\$ 114,240</u>
<i>Net change in fund balance (Non-GAAP Budgetary basis)</i>			\$ 28,731	
<i>Adjustment to revenue for accruals and other deferrals</i>			(28,731)	
<i>Adjustment to expenditures for payables, prepaids and other accruals</i>			-	
<i>Net change in fund balance (GAAP basis)</i>			<u>\$ -</u>	

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

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2008

Exhibit D

ASSETS

Current Assets

Cash \$ 117,614

Total assets \$ 117,614

LIABILITIES

Current Liabilities

Deposits held in trust for others \$ 117,614

Total liabilities \$ 117,614

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

(This page intentionally left blank.)

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies

Tularosa Municipal Schools is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of the City of Tularosa. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of Tularosa Municipal School's management who is responsible for their integrity and objectivity. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the government's accounting policies are described below.

A. *Financial Reporting Entity*

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14 and No. 39. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the District has no component units, and is not a component unit of another governmental agency.

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as does the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

C. *Measurement focus, basis of accounting, and financial statement presentation* (continued)

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

The *Transportation Fund* is used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children.

The *Instructional Materials Fund* is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Impact Aid Fund*— The purpose of these grants are to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), where there is a significant number of children who reside on Federal lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3 (2a) and 3 (b)). The authorization for this fund is PL 81-874.

The *Bond Building Fund* is used to account for the accumulation of resources for the funds provided from the District's bond issues. Resources are used for the purpose of erecting, remodeling, making additions to, or furnishing public school buildings and purchasing or improving public school grounds. Financing is provided by ad valorem taxes as specified by Article 15 of the Finance of Counties, Municipalities, and School Districts Act., and the payment of, general long-term debt principal, interest and related costs.

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Additionally, the government reports the following fund types:

The *Fiduciary Funds* account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. There were no such transactions during the fiscal year ended June 30, 2008.

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

D. *Assets, Liabilities and Net Assets or Equity*

Deposits and Investments: 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.

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the District are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

The District receives monthly income from a tax levy in Otero County. The funds are collected by the County Treasurers and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurers in July and August 2008 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2008.

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

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

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

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

D. *Assets, Liabilities and Net Assets or Equity (continued)*

Inventory: Inventory is valued at cost utilizing the purchase basis of accounting. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories. Non-commodity 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.

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

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Building improvements	20
Furniture, fixtures and equipment	5-20
Vehicles	10-20

Deferred Revenues: Accounting principles generally accepted in the United States of America require that grant revenue be recognized at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as deferred revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resources measurement focus are reported as deferred revenues in the governmental fund financial statements.

Compensated Absences: The District permits administrative employees to accumulate a limited amount of earned but unused vacation, which will be paid if not used, upon termination from the District. Accumulated sick leave benefits vest with each employee in accordance with District policy. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. No liability is reported for unpaid accumulated sick leave, as no payment is required upon termination of service by employees.

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

D. *Assets, Liabilities and Net Assets or Equity* (continued)

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity: In the fund financial statements, governmental funds report reservations of fund balance that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. These designations are established to earmark resources for specific future use and to indicate that the fund equity does not represent available spendable resources.

Invested in capital assets, net of related debt:

Consists of net assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

Restricted:

Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. The District's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Unrestricted:

All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Reclassifications: Certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation.

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

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

E. *Revenues*

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$7,779,621 in state equalization guarantee distributions during the year ended June 30, 2008.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$639,586 in tax revenues in the governmental fund financial statements during the year ended June 30, 2008. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$482,060 in transportation distributions during the year ended June 30, 2008.

Instructional Materials: The District had allocations allowed by the State for the current year of \$107,105. Of the allocation, the District used \$ 98,339 to purchase textbooks during the year. Allocations received and utilized are reflected in revenue and expenditures of the General Fund.

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Department of Education. Auxiliary student activity accounts are not budgeted.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as a designated portion of fund balance.

Actual expenditures may not exceed the budget on a line item basis, i.e., each budgeted expenditure must be within budgeted amounts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series' this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

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

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting is open for the general public unless a closed meeting has been called.
4. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.
6. Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.

The School Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico Administrative Code 6.20.2.9 prohibits a school district from exceeding budgetary control at the function level.

The District is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 3. Cash and Temporary Investments

State statutes authorize the investment of the District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2008.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

The collateral pledged is listed on Schedule I of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, District or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$100,000 in aggregate and separate from the \$100,000 coverage for public unit demand deposits at the same institution.

Deposits

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for a least one half of the amount on deposit with the institution. The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 3. Cash and Temporary Investments (continued)

<u>Type</u>	<u>First National Bank</u>	<u>Western Bank</u>
General	\$ 4,292,298	\$ 145,414
Certificate of Deposit	<u>-</u>	<u>33,688</u>
Total Deposits	4,292,298	179,102
Less: FDIC Coverage	<u>(100,000)</u>	<u>(133,688)</u>
Uninsured Amount	4,192,298	45,414
50% Collateral requirement	2,096,149	22,707
Pledged Securities	<u>2,067,333</u>	<u>103,041</u>
(Over) Under collateralized	<u>\$ 28,815</u>	<u>\$ (80,334)</u>
Custodial Credit Risk-Deposits		
Account Balance	\$ 4,471,400	
FDIC Insured	233,688	
Collateral:		
Collateral held by the pledging bank, not in the District's name	2,170,374	
Uninsured and uncollateralized	<u>2,067,338</u>	
Total Deposits	<u>\$ 4,471,400</u>	

Custodial credit risk is the risk that in the event of a bank failure, the governments' deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2008, \$ 4,237,712 the District's bank balance of \$4,471,400 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 2,170,374
Uninsured and collateral held by pledging bank's trust department not it the District's name	<u>2,067,338</u>
Total	<u>\$ 4,237,712</u>

Reconciliation of Cash and Temporary Investments

Governmental Funds - Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 4,524,023
Cash per Exhibit D-1	117,614
Less Investments in LGIP	(468,604)
Add outstanding checks and other reconciling items	<u>298,367</u>
	<u>\$ 4,471,400</u>

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 3. Cash and Temporary Investments (continued)

Custodial Credit Risk- Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy for custodial credit risk. New Mexico State Statutes require collateral pledged to be delivered for the securities underlying an overnight repurchase agreement, or a joint safekeeping receipt to be issued to the District for at least on hundred two percent o the fair value of the securities underlying overnight repurchase accounts invested with the institution.

As of June 30, 2008, the Districts' investment balances were exposed to custodial credit risk as follows:

Investment in the State Treasurer Local Government

Investment Pool	\$ <u>468,604</u>
-----------------	-------------------

The New MexiGrow Local Governmental Investment Pool's (LGIP) investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP is not SEC registered. The Anew Mexico State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance, In accordance with Sections 6-10-10 I though 6-10-10-P and Section 6-10-10.1 A and E, NMSA 1978. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 19078, as the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the LGIP is voluntary.

Interest Rate Risk and Credit Rating- Investment in State Treasurer's LGIP

The District does not have a formal policy limiting investment maturities to manage its exposure to fair value losses from increasing interest rates. The District's investments at June 30, 2008 include the following:

State Treasurer LGIP	AAAm	46-day WAM	\$ <u>468,604</u>
----------------------	------	------------	-------------------

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 4. Accounts Receivable

Accounts receivable as of June 30, 2008, are as follows:

	General Fund	Debt Service	Other Governmental Funds	Total
Property taxes	\$ 59,145	\$ 20,520	\$ 4,136	\$ 83,801
Due from other governments:				
Other funds	50	-	-	50
Food Service	-	-	1,025	1,025
Title I	-	-	133,944	133,944
IDEA B Entitlement	-	-	58,805	58,805
IDEA B Discretionary	-	-	49,885	49,885
IDEA B Preschool	-	-	3,900	3,900
Enhancing Education	-	-	5,706	5,706
Title V Part A Innovative Ed Strategies	-	-	121	121
Teacher/Principal Training	-	-	43,028	43,028
Safe & Drug Free Schools & Community	-	-	1,683	1,683
Rural & Low Income Schools	-	-	1,326	1,326
Obesity Program PED	-	-	4,592	4,592
Libraries GO Bonds Laws of 2006	-	-	13,604	13,604
Technology Equity	-	-	28,838	28,838
	<u>\$ 59,195</u>	<u>\$ 20,520</u>	<u>\$ 350,593</u>	<u>\$ 430,308</u>

The above receivables are deemed 100% collectible.

Deferred Revenues

Deferred revenue represents advances on grants which have not been earned at June 30, 2008.

	<u>General Fund</u>	<u>Debt Service</u>	<u>Impact Aid</u>	<u>Other Governmental</u>	<u>Total</u>
Federal Awards	\$ -	\$ -	\$ 125,378	\$ 59,497	\$ 184,875
Property Taxes	<u>\$ 58,471</u>	<u>\$ 5,116</u>	<u>\$ -</u>	<u>\$ 575</u>	<u>\$ 64,162</u>
Total	<u>\$ 58,471</u>	<u>\$ 5,116</u>	<u>\$ 125,378</u>	<u>\$ 60,072</u>	<u>\$ 249,037</u>

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 5. Accounts Payables

Accounts payable as of June 30, 2008, are as follows:

Payable to suppliers	\$ 25,406
Accrued Salaries and benefits	453,877
Accrued interest	<u>53,320</u>
Total accounts payable and accrued expenses	<u><u>\$ 532,603</u></u>

NOTE 6. Interfund Receivables, Payables, and Transfers

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received.

The composition of interfund balances during the year ended June 30, 2008 is as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 368,491	\$ -
Nonmajor Funds:		
Title I Entitlement	-	133,944
IDEA B Entitlement	-	58,805
IDEA B Discretionary	-	49,885
IDEA B Preschool	-	3,900
Title V Part V Innovative Strategies Pro	-	121
Teacher Principal Training	-	43,028
Safe & Drug Free Schools & Community	-	1,683
Rural & Low Income Schools	-	1,327
Enhancing Education thru Technology	-	5,706
Technology Equity	-	28,838
Obesity Program PED	-	4,592
Library GO Bonds, Laws of 2006	-	13,604
Public School Capital Outlay	-	23,058
	<u>\$ 368,491</u>	<u>\$ 368,491</u>

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 7. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2008, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land is not subject to depreciation.

	Balance June 30, 2007	Addition and Transfers In	Deletions and Transfers Out	Balance June 30, 2008
Capital assets not being depreciated:				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Total capital assets not being depreciated	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Capital assets being depreciated:				
Buildings and improvements	28,454,567	-	-	28,454,567
Equipment and Furniture	2,711,987	116,620	-	2,828,607
Vehicles	<u>543,006</u>	<u>135,330</u>	<u>-</u>	<u>678,336</u>
Total capital assets being depreciated	<u>31,709,560</u>	<u>251,949</u>	<u>-</u>	<u>31,961,509</u>
Total capital assets	<u>31,759,560</u>	<u>251,949</u>	<u>-</u>	<u>32,011,509</u>
Less accumulated depreciation:				
Buildings and improvements	16,170,841	676,662	-	16,847,503
Equipment and Furniture	2,477,694	88,909	-	2,566,603
Vehicles	<u>473,473</u>	<u>17,711</u>	<u>-</u>	<u>491,184</u>
Total accumulated depreciation	<u>19,122,008</u>	<u>783,282</u>	<u>-</u>	<u>19,905,290</u>
Total capital assets net of depreciation	\$ <u>12,637,552</u>	\$ <u>(531,333)</u>	\$ <u>-</u>	\$ <u>12,106,219</u>

Capital assets, net of accumulated depreciation, at June 30, 2008 appear in the Statement of Net Assets as follows:

Governmental activities	\$ 12,106,219
-------------------------	---------------

Depreciation expense for the year ended June 30, 2008 was charged to the following functions and funds:

Governmental activities:	
Direct instruction	\$ 774,134
Pupil Transportation	9,148
	<u>\$ 783,282</u>

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 8. Long-term Debt

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2008 are for governmental activities. 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.

Bonds outstanding at June 30, 2008, are comprised of the following:

Series	Date of Issue	Original Amount	Interest Rate	Balance
Series 1998	5/15/1998	\$ 800,000	5%	\$ 150,000
Series 2000	4/15/2000	\$ 375,000	5%	\$ 100,000
Series 2001	1/1/2001	\$ 310,000	5%	\$ 145,000
Series 2001	10/15/2001	\$ 435,000	4%	\$ 410,000
Series 2002	10/1/2002	\$ 345,000	4%	\$ 345,000
Series 2003	9/15/2003	\$ 400,000	3%	\$ 275,000
Series 2004	9/1/2004	\$ 345,000	3%	\$ 345,000
Series 2005b	9/1/2005	\$ 255,000	4%	\$ 235,000
Series 2005b	3/15/2006	\$ 310,000	4%	\$ 310,000
Series 2006	10/15/2006	\$ 340,000	4%	\$ 340,000
Series 2007	7/1/2007	\$ 365,000	4.125%	\$ 365,000
Series 2008	11/1/3008	\$ 500,000	2.75-4.1%	\$ 500,000
Total				\$3,520,000

The following is a summary of the long-term debt and the activity for the year ended June 30, 2008:

	Balance June 30, 2007	Additions	Deletions	Balance June 30, 2008	Due Within One Year
General obligation bonds					
Series 1998	\$ 285,000	\$ -	\$ 135,000	\$ 150,000	\$ 150,000
Series 1999	75,000	-	75,000	-	-
Series 2000	175,000	-	75,000	100,000	100,000
Series 2001	175,000	-	30,000	145,000	35,000
Series 2001	420,000	-	10,000	410,000	65,000
Series 2002	345,000	-	-	345,000	-
Series 2003	315,000	-	40,000	275,000	40,000
Series 2004	345,000	-	-	345,000	-
Series 2005b	255,000	-	20,000	235,000	20,000
Series 2005b	310,000	-	-	310,000	-
Series 2006	340,000	-	-	340,000	-
Series 2007	-	365,000	-	365,000	-
Series 2008	-	500,000	-	500,000	10,000
Compensated absences	20,826	21,405	20,826	21,405	21,405
	<u>\$ 3,060,826</u>	<u>\$ 886,405</u>	<u>\$ 405,826</u>	<u>\$ 3,541,405</u>	<u>\$ 441,405</u>

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 8. Long-term Debt (continued)

The annual requirements to amortize the General Obligation Bonds as of June 30, 2008, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 420,000	\$ 145,222	\$ 565,222
2010	315,000	118,819	433,819
2011	430,000	103,626	533,626
2012	590,000	85,450	675,450
2013	435,000	65,051	500,051
2014-2018	1,330,000	91,273	1421,273
	<u>\$ 3,520,000</u>	<u>\$ 609,449</u>	<u>\$ 4,129,449</u>

The general fund is typically used to liquidate long-term liabilities other than debt.

Reconciliation of Long-Term Debt to the Statement of Net Assets

Total Long term debt	\$ 3,520,000
Net Issue Costs/Premium/Discounts on Bond Issues	(194,092)
Accumulated Amortization	49,192
	<u>\$ 3,375,000</u>

NOTE 9. Risk Management

The District is a member of the New Mexico Public School Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible to each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery, and Money Orders. A limit of \$100,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2008, there have been no claims that have exceeded insurance coverage.

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 10. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

A. Deficit fund balance of individual funds.

Public School Capital Outlay	\$23,058
------------------------------	----------

B. Excess of expenditures over appropriations by fund and function.

None

NOTE 11. ERA Pension Plan

Plan Description. Substantially all of Tularosa Municipal Schools' full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (ERA) (Chapter 22, Article 11 NMSA 1978.) The Educational Retirement Board is the administrator of the plan, which is a cost-sharing, multiple-employer defined benefit retirement plan. The plan provides for retirement, disability benefits, and cost-of-living adjustments to plan members and beneficiaries. ERA issues a separate, publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to ERA, P. O. Box 26129, Santa Fe, New Mexico 87502.

Funding Policy. Plan members are required to contribute 7.825% of their gross salary. The District is required to contribute 10.9% of the gross covered salary. The contribution requirements of plan members and the District are established under Chapter 22, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The District's total contributions to ERA for the years ended June 30, 2008, 2007, and 2006 were \$1,093,149, \$1,032,553, and \$946,666, respectively.

NOTE 12. Post-Employment Benefits

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

Eligible employers are institutions of higher education, school districts, or other entities participating in the Public School Insurance Authority, state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Education Retirement Act (ERA), Public Employees Retirement Association (PERA), Volunteer Firefighters Retirement Act, Judicial Retirement Act or the Magistrate Retirement Act. Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the Retiree Health Care Act on the person's behalf unless that person retired before the employer's NMRHCA effective date, in which 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; or (2) retirees defined by the Act who retired prior to July 1, 1990; and former legislators who served at least two years.

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

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 12. Post-Employment Benefits

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

The Retiree Health Care Authority issued 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 Retiree Health Care Authority, 4308 Carlisle Blvd., NE, Suite 104, Albuquerque, New Mexico 87109.

For the years ended June 30, 2008, 2007 and 2006, the District remitted \$76,748, \$75,781 and 72,821, in employer contributions and \$38,382, \$37,911 and \$36,410 in employee contributions, respectively.

NOTE 13. Contingent Liabilities

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

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 14. 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 15. Memorandum of Understanding/Joint Powers Agreement

REC

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

Participants: Regional Education Cooperative and Tularosa Municipal Schools

Responsible Party for Operation and Audit: Regional Education Cooperative

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

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

STATE OF NEW MEXICO
Tularosa Municipal Schools
Notes to the Financial Statements
June 30, 2008

NOTE 15. Memorandum of Understanding/Joint Powers Agreement (continued)

Public School Facilities Authority

Purpose: To complete the public school capital outlay projects and correction of existing health and safety deficiencies that have been identified, verified, prioritized, and will be completed, pursuant to the provision of Section 22-24-2 through 22-24-5 NMSA 1978 and in accordance with rules adopted by the PSCOC.

Participants: Public School Facilities Authority and Tularosa Municipal Schools

Responsible Party for Operation and Audit: Tularosa Municipal Schools

Beginning and Ending Date of Agreement: December 15, 2006 until June 30, 2010.

Total Estimated Amount of Project and Actual Amount Contributed: Unknown

(This page intentionally left blank.)

SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

NONMAJOR GOVERNMENTAL FUNDS

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOL
NONMAJOR GOVENMENTAL FUNDS
SPECIAL REVENUE FUNDS

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

Food Services – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Services Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of the National School Lunch Program, which is administered by the State of New Mexico for the purpose of making breakfast and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. The Non-Federal funds consist of income derived from Snack-Bar facilities located in the District. Authority for the creation of this fund is NMSA 22-13-13.

Non-Instructional Support - This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

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

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

IDEA B- Discretionary – The purpose of this program is to provide administrators and program directors with information and strategies that will support licensed and waived teachers in the areas of special education with day-to-day functions of the classroom. Authority for creation of this fund is Individuals with Disabilities Education Act (IDEA), Part B, Sections 611-617, and Part D, Section 674 as amended, 20 U.S.C. 1411-1417 and 1420, Public Law 105-17.

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

Carl D. Perkins Voc Ed. - The objective of the federal grant is to provide vocational education to students. The fund was created by the authority of federal grant provision. (PL 103-382)

Enhancing Education through Technology - The objective of the federal grant is strengthen teacher learning in the filed of technology. The fund was created by the authority of federal grant provision. (PL 103-382)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOL
NONMAJOR GOVENMENTAL FUNDS
SPECIAL REVENUE FUNDS

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

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

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

Rural and Low Income Schools – The purpose of this fund is to account for monies to rural schools to enhance the education program in technology, career readiness, and summer school and after school tutoring programs. The authority for this program is under CFDA 84.3580, Title II.

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

Incentives for School Improvement – The purpose of this state grant is to provide funds for use in providing student educational trips, automation of the District's libraries, and other educational materials. Authority for creation of this fund is Laws of 1997, Chapter 32.

Obesity Program-PED – The purpose is to account for revenues and expenditures from a state grant to provide education on the prevention of obesity in students. Funding provided by the Public Education Department, Laws of 2005.

Beginning Teacher Mentoring – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Public Education Department. Authority for creation of this fund is NMSA 22-2-8-10.

GO Library Bonds, Laws of 2006 - The objective of this act is to acquire library books, equipment and library resources for public school libraries and juvenile detention libraries. Funds are acquired from General Obligation Bonds through the Public Education Department. Authority for creation of this fund is the Legislation in Chapter 117, Laws of 2004, Section 10C(3).

Breakfast for Elementary Students - The purpose of this program is to account for revenues and expenditures used to administer the breakfast program to elementary students. The fund was created by grant provisions.

Technology Equity PED - The purpose of this program is to account for revenues and expenditures used carrying out the provisions of the grant award. The fund was created by grant provisions.

Gear Up-CHE – The objective of this program to help low income, first generation students prepare for and succeed in post secondary education. This fund was created by the Higher Education Department and NM Gear up.

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOL
NONMAJOR GOVENMENTAL FUNDS
CAPITAL PROJECTS FUNDS

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

The District has three separate funds classified as non-major Capital Projects Funds as follows:

Public Schools Capital Outlay – This fund is used to account for resources received from the Department of Education state equalization guarantee for use in remodeling and equipping classroom facilities.

Special Capital Outlay State – The District was selected to receive special capital outlay appropriations. The appropriations are funded by State Severance Tax Bonds, the State General Fund, or the State Highway Division.

Capital Improvements SB-9 – This fund is used to account for expenditures of property taxes levied and stat matching funds restricted to maintenance and capital improvement projects as adopted by school board resolution. Authority for the creation of this fund is NMSA 22-25-1 to 22-25-10.

Public Schools Capital Outlay 20% – The purpose of this fund is to account for resources received from the local ad valorem tax levy for use in remodeling and equipping classroom facilities.

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2008

ASSETS	Special Revenue Funds		
	Food Service	Athletics	Non-Instructional Support
<i>Current Assets</i>			
Cash and cash equivalents	\$ 100,735	\$ 3,847	\$ 22,266
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	1,025	-	-
Other accounts receivable	-	-	-
Interfund receivable	-	-	-
Inventory	9,881	-	-
<i>Total assets</i>	\$ 111,641	\$ 3,847	\$ 22,266
 LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-
Interfund payable	-	-	-
Deferred revenue	-	-	-
<i>Total liabilities</i>	-	-	-
<i>Fund Balances</i>			
Reserved:			
Reserved for inventory	9,881	-	-
Unreserved:			
Designated for subsequent year's expenditures reported in:			
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Undesignated, reported in:			
Special Revenue Funds	101,760	3,847	22,266
Capital Projects Funds	-	-	-
<i>Total fund balances</i>	111,641	3,847	22,266
<i>Total liabilities and fund balances</i>	\$ 111,641	\$ 3,847	\$ 22,266

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

Title I	IDEA-B Entitlement	IDEA-B Discretionary	IDEA-B Preschool
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
133,944	58,805	49,885	3,900
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 133,944</u>	<u>\$ 58,805</u>	<u>\$ 49,885</u>	<u>\$ 3,900</u>

\$ -	\$ -	\$ -	\$ -
-	-	-	-
133,944	58,805	49,885	3,900
-	-	-	-
<u>133,944</u>	<u>58,805</u>	<u>49,885</u>	<u>3,900</u>

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 133,944</u>	<u>\$ 58,805</u>	<u>\$ 49,885</u>	<u>\$ 3,900</u>

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2008

ASSETS	Special Revenue Funds		
	Carl D. Perkins Voc Ed	Enhancing Ed thru Tech. E2T2-F	Enhancing Ed thru Tech. E2T2-C
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	5,706	-
Other accounts receivable	-	-	-
Interfund receivable	-	-	-
Inventory	-	-	-
	-	-	-
<i>Total assets</i>	\$ -	\$ 5,706	\$ -
 LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-
Interfund payable	-	5,706	-
Deferred revenue	-	-	-
	-	-	-
<i>Total liabilities</i>	-	5,706	-
 <i>Fund Balances</i>			
Reserved:			
Reserved for inventory	-	-	-
Unreserved:			
Designated for subsequent year's expenditures reported in:			
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Undesignated, reported in:			
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
	-	-	-
<i>Total fund balances</i>	-	-	-
<i>Total liabilities and fund balances</i>	\$ -	\$ 5,706	\$ -

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

Title V Part A Innovative Ed Pro Strategies	Teacher/ Principal Training	Safe & Drug Free Schools & Community	Rural & Low Income Schools
\$ -	\$ -	\$ -	\$ 1
-	-	-	-
-	-	-	-
121	43,028	1,683	1,326
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 121</u>	<u>\$ 43,028</u>	<u>\$ 1,683</u>	<u>\$ 1,327</u>

\$ -	\$ -	\$ -	\$ -
-	-	-	-
121	43,028	1,683	1,327
-	-	-	-
<u>121</u>	<u>43,028</u>	<u>1,683</u>	<u>1,327</u>

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 121</u>	<u>\$ 43,028</u>	<u>\$ 1,683</u>	<u>\$ 1,327</u>

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2008

	Special Revenue Funds		
	Technology for Education PED	Obesity Program PED	Incentive for School Improvement PED
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 17,739	\$ -	\$ 41,758
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	4,592	-
Other accounts receivable	-	-	-
Interfund receivable	-	-	-
Inventory	-	-	-
	<u>17,739</u>	<u>4,592</u>	<u>41,758</u>
<i>Total assets</i>	<u>\$ 17,739</u>	<u>\$ 4,592</u>	<u>\$ 41,758</u>
 LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-
Interfund payable	-	4,592	-
Deferred revenue	17,739	-	41,758
	<u>17,739</u>	<u>4,592</u>	<u>41,758</u>
<i>Total liabilities</i>	<u>17,739</u>	<u>4,592</u>	<u>41,758</u>
 <i>Fund Balances</i>			
Reserved:			
Reserved for inventory	-	-	-
Unreserved:			
Designated for subsequent year's expenditures reported in:			
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Undesignated, reported in:			
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 17,739</u>	<u>\$ 4,592</u>	<u>\$ 41,758</u>

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

Beginning Teacher Mentoring	Libraries GO Bonds Laws of 2006	Breakfast for Elementary Students	Technology Equity PED
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	13,604	-	28,838
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ 13,604</u>	<u>\$ -</u>	<u>\$ 28,838</u>

\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	13,604	-	28,838
-	-	-	-
<u>-</u>	<u>13,604</u>	<u>-</u>	<u>28,838</u>

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ 13,604</u>	<u>\$ -</u>	<u>\$ 28,838</u>

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2008

		Capital Project Funds	
	Gear-up CHE	Public School Capital Outlay	Special Capital Outlay - State
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Other accounts receivable	-	-	-
Interfund receivable	-	-	-
Inventory	-	-	-
	-	-	-
<i>Total assets</i>	\$ -	\$ -	\$ -
 LIABILITIES AND FUND BALANCES			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-
Interfund payable	-	23,058	-
Deferred revenue	-	-	-
	-	23,058	-
<i>Total liabilities</i>	-	23,058	-
<i>Fund Balances</i>			
Reserved:			
Reserved for inventory	-	-	-
Unreserved:			
Designated for subsequent year's expenditures reported in:			
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Undesignated, reported in:			
Special Revenue Funds	-	(23,058)	-
Capital Projects Funds	-	-	-
	-	(23,058)	-
<i>Total fund balances</i>	-	(23,058)	-
<i>Total liabilities and fund balances</i>	\$ -	\$ -	\$ -

Capital Improvements SB-9	Public School Capital Outlay 20%	Total Nonmajor Governmental Funds
\$ 246,333	\$ 170,000	\$ 602,679
-	-	-
4,136	-	4,136
-	-	346,457
-	-	-
-	-	-
-	-	9,881
<u>\$ 250,469</u>	<u>\$ 170,000</u>	<u>\$ 963,153</u>

\$ 12,008	\$ -	\$ 12,008
-	-	-
-	-	368,491
575	-	60,072
<u>12,583</u>	<u>-</u>	<u>440,571</u>

-	-	9,881
-	-	-
-	-	-
237,886	170,000	512,701
-	-	-
<u>237,886</u>	<u>170,000</u>	<u>522,582</u>
<u>\$ 250,469</u>	<u>\$ 170,000</u>	<u>\$ 963,153</u>

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

	Special Revenue Funds		
	Food Services	Athletics	Non-Instructional Support
<i>Revenues:</i>			
Taxes	\$	\$	\$
Taxes levied/assessed	-	-	-
Local sources			
Tuition	-	-	-
Investment income	227	55	-
Food services	38,228	-	-
District activities	-	25,973	58,192
Other revenue	-	103	-
State sources			
Unrestricted Grants	-	-	-
Restricted Grants	-	-	-
Federal sources			
Unrestricted Grants	-	-	-
Unrestricted -state passthrough	-	-	-
Restricted Grants	-	-	-
Restricted -state passthrough	364,182	-	-
Department of Interior	-	-	-
Other items	24,079	-	-
<i>Total revenues</i>	<u>426,716</u>	<u>26,131</u>	<u>58,192</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	33,810	55,140
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other Support Services	-	-	-
Operation of Non-instructional Services			
Food services operations	435,541	-	-
Capital outlay	-	-	-
<i>Total expenditures</i>	<u>435,541</u>	<u>33,810</u>	<u>55,140</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(8,825)</u>	<u>(7,679)</u>	<u>3,052</u>
<i>Other financing sources (uses)</i>			
Transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	(8,825)	(7,679)	3,052
<i>Fund balances - beginning of year</i>	<u>120,466</u>	<u>11,526</u>	<u>19,214</u>
<i>Fund balances - end of year</i>	<u>\$ 111,641</u>	<u>\$ 3,847</u>	<u>\$ 22,266</u>

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

Title I	IDEA-B Entitlement	IDEA-B Discretionary	IDEA-B Preschool
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
673,382	294,554	49,885	10,099
-	-	-	-
-	-	-	-
<u>673,382</u>	<u>294,554</u>	<u>49,885</u>	<u>10,099</u>
568,483	151,850	49,885	10,000
-	142,704	-	99
89,553	-	-	-
13,685	-	-	-
1,661	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>673,382</u>	<u>294,554</u>	<u>49,885</u>	<u>10,099</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

	Special Revenue Funds		
	Carl D. Perkins Voc Ed	Enhancing Ed thru Tech. E2T2-F	Enhancing Ed thru Tech. E2T2-C
<i>Revenues:</i>			
Taxes	\$	\$	\$
Taxes levied/assessed	-	-	-
Local sources			
Tuition	-	-	-
Investment income	-	-	-
Food services	-	-	-
District activities	-	-	-
Other revenue	-	-	-
State sources			
Unrestricted Grants	-	-	-
Restricted Grants	-	-	-
Federal sources			
Unrestricted Grants	-	-	-
Unrestricted -state passthrough	-	-	-
Restricted Grants	-	-	-
Restricted -state passthrough	473	5,706	12,196
Department of Interior	-	-	-
Other items	-	-	-
<i>Total revenues</i>	<u>473</u>	<u>5,706</u>	<u>12,196</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	5,706	-
Support Services			
Students	-	-	-
Instruction	-	-	12,196
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other Support Services	-	-	-
Operation of Non-instructional Services			
Food services operations	-	-	-
Capital outlay	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,706</u>	<u>12,196</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>473</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Transfers	(473)	-	-
<i>Total other financing sources (uses)</i>	<u>(473)</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Title V Part A Innovative Ed Pro Strategies	Teacher/ Principal Training	Safe & Drug Free Schools & Community	Rural & Low Income Schools
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,527	160,198	5,169	48,615
-	-	-	-
-	-	-	-
<u>1,527</u>	<u>160,198</u>	<u>5,169</u>	<u>48,615</u>
1,499	159,464	-	46,717
-	-	5,075	272
-	-	-	743
28	734	94	883
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>1,527</u>	<u>160,198</u>	<u>5,169</u>	<u>48,615</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

	Special Revenue Funds		
	Technology for Education PED	Obesity Program PED	Incentive for School Improvement PED
<i>Revenues:</i>			
Taxes	\$	\$	\$
Taxes levied/assessed	-	-	-
Local sources			
Tuition	-	-	-
Investment income	-	-	-
Food services	-	-	-
District activities	-	-	-
Other revenue	-	-	-
State sources			
Unrestricted Grants	-	-	-
Restricted Grants	17,271	6,016	1,185
Federal sources			
Unrestricted Grants	-	-	-
Unrestricted -state passthrough	-	-	-
Restricted Grants	-	-	-
Restricted -state passthrough	-	-	-
Department of Interior	-	-	-
Other items	-	-	-
<i>Total revenues</i>	<u>17,271</u>	<u>6,016</u>	<u>1,185</u>
<i>Expenditures:</i>			
Current:			
Instruction	10,764	-	1,185
Support Services			
Students	-	-	-
Instruction	6,507	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other Support Services	-	-	-
Operation of Non-instructional Services			
Food services operations	-	6,016	-
Capital outlay	-	-	-
<i>Total expenditures</i>	<u>17,271</u>	<u>6,016</u>	<u>1,185</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

companying notes are an integral part of these financial state

Beginning Teacher Mentoring	Libraries GO Bonds Laws of 2006	Breakfast for Elementary Students	Technology Equity PED
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,787	-	22,327	-
-	13,604	-	73,470
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>2,787</u>	<u>13,604</u>	<u>22,327</u>	<u>73,470</u>
2,787	-	-	23,560
-	-	-	-
-	13,604	-	49,910
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	22,327	-
-	-	-	-
<u>2,787</u>	<u>13,604</u>	<u>22,327</u>	<u>73,470</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

	Gear-up CHE	Public School Capital Outlay	Special Capital Outlay-State
<i>Revenues:</i>			
Taxes	\$	\$	\$
Taxes levied/assessed	-	-	-
Local sources			
Tuition	-	-	-
Investment income	-	-	-
Food services	-	-	-
District activities	-	-	-
Other revenue	-	-	-
State sources			
Unrestricted Grants	-	-	-
Restricted Grants	-	15,372	370,009
Federal sources			
Unrestricted Grants	-	-	-
Unrestricted -state passthrough	-	-	-
Restricted Grants	-	-	-
Restricted -state passthrough	-	-	-
Department of Interior	-	-	-
Other items	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>15,372</u>	<u>370,009</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & maintenance of plant	-	-	370,000
Student transportation	-	-	-
Other Support Services	-	-	-
Operation of Non-instructional Services			
Food services operations	-	-	-
Capital outlay	-	42,353	-
<i>Total expenditures</i>	<u>-</u>	<u>42,353</u>	<u>370,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(26,981)</u>	<u>9</u>
<i>Other financing sources (uses)</i>			
Transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	(26,981)	9
<i>Fund balances - beginning of year</i>	-	3,923	(9)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ (23,058)</u>	<u>\$ -</u>

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

Capital Improvements SB-9	Public School Capital Outlay 20%	Total Nonmajor Governmental Funds
\$ 121,217	\$ -	\$ 121,217
-	-	-
652	2,477	3,411
-	-	38,228
-	-	84,165
-	-	103
-	-	25,114
-	-	496,927
-	-	-
-	-	-
-	-	1,625,986
-	-	-
-	-	24,079
<u>121,869</u>	<u>2,477</u>	<u>2,419,230</u>
-	-	1,120,850
-	-	148,150
-	-	172,513
1,122	-	16,546
-	-	1,661
-	-	-
182,533	-	552,533
-	-	-
-	-	-
-	-	463,884
49,060	14,496	105,909
<u>232,715</u>	<u>14,496</u>	<u>2,582,046</u>
<u>(110,846)</u>	<u>(12,019)</u>	<u>(162,816)</u>
-	-	(473)
-	-	(473)
(110,846)	(12,019)	(163,289)
<u>348,732</u>	<u>182,019</u>	<u>685,871</u>
<u>\$ 237,886</u>	<u>\$ 170,000</u>	<u>\$ 522,582</u>

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
FOOD SERVICE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 43,600	\$ 43,600	38,274	\$ (5,326)
State sources	-	-	-	-
Federal sources	310,000	310,000	363,157	53,157
Interest	-	-	227	227
<i>Total revenues</i>	<u>353,600</u>	<u>353,600</u>	<u>401,658</u>	<u>48,058</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	430,819	430,819	402,826	27,993
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>430,819</u>	<u>430,819</u>	<u>402,826</u>	<u>27,993</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(77,219)</u>	<u>(77,219)</u>	<u>(1,168)</u>	<u>76,051</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	77,219	77,219	-	(77,219)
<i>Total other financing sources (uses)</i>	<u>77,219</u>	<u>77,219</u>	<u>-</u>	<u>(77,219)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,168)</u>	<u>(1,168)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>101,903</u>	<u>101,903</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,735</u>	<u>\$ 100,735</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (1,168)	
Adjustment to revenue for accruals and other deferrals			979	
Adjustment to expenditures for payables, prepaids and other accruals			(8,636)	
Net change in fund balance (GAAP basis)			<u>\$ (8,825)</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
ATHLETICS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 26,020	\$ 26,020	26,076	\$ 56
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	55	55
<i>Total revenues</i>	<u>26,020</u>	<u>26,020</u>	<u>26,131</u>	<u>111</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	28,152	37,546	33,810	3,736
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>28,152</u>	<u>37,546</u>	<u>33,810</u>	<u>3,736</u>
<i>Excess (deficiency) of revenues</i>				
<i>over (under) expenditures</i>	<u>(2,132)</u>	<u>(11,526)</u>	<u>(7,679)</u>	<u>3,847</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	2,132	11,526	-	(11,526)
<i>Total other financing sources (uses)</i>	<u>2,132</u>	<u>11,526</u>	<u>-</u>	<u>(11,526)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(7,679)</u>	<u>(7,679)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>11,526</u>	<u>11,526</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,847</u>	<u>\$ 3,847</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (7,679)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ (7,679)</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
NON-INSTRUCTIONAL SUPPORT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 37,000	\$ 45,000	\$ 58,192	\$ 13,192
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>37,000</u>	<u>45,000</u>	<u>58,192</u>	<u>13,192</u>
<i>Expenditures:</i>				
Current:				
Instruction	48,300	64,213	55,140	9,073
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>48,300</u>	<u>64,213</u>	<u>55,140</u>	<u>9,073</u>
<i>Excess (deficiency) of revenues</i> <i>over (under) expenditures</i>	<u>(11,300)</u>	<u>(19,213)</u>	<u>3,052</u>	<u>22,265</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	11,300	19,213	-	(19,213)
<i>Total other financing sources (uses)</i>	<u>11,300</u>	<u>19,213</u>	<u>-</u>	<u>(19,213)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>3,052</u>	<u>3,052</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>19,214</u>	<u>19,214</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,266</u>	<u>\$ 22,266</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 3,052	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ 3,052</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
TITLE I SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	668,459	798,232	405,281	(392,951)
Interest	-	-	-	-
<i>Total revenues</i>	<u>668,459</u>	<u>798,232</u>	<u>405,281</u>	<u>(392,951)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	569,448	682,608	568,483	114,125
Support Services				
Students	-	-	-	-
Instruction	83,745	97,525	89,553	7,972
General Administration	13,466	16,299	13,685	2,614
School Administration	1,800	1,800	1,661	139
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>668,459</u>	<u>798,232</u>	<u>673,382</u>	<u>124,850</u>
<i>Excess (deficiency) of revenues</i> <i>over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(268,101)</u>	<u>(268,101)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(268,101)</u>	<u>(268,101)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>134,157</u>	<u>134,157</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (133,944)</u>	<u>\$ (133,944)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (268,101)	
Adjustment to revenue for accruals and other deferrals			268,101	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
IDEA B ENTITLEMENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	294,733	294,600	235,749	(58,851)
Interest	-	-	-	-
<i>Total revenues</i>	<u>294,733</u>	<u>294,600</u>	<u>235,749</u>	<u>(58,851)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	193,402	151,848	151,848	-
Support Services				
Students	101,331	142,752	142,706	46
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>294,733</u>	<u>294,600</u>	<u>294,554</u>	<u>46</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(58,805)</u>	<u>(58,897)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(58,805)</u>	<u>(58,897)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (58,805)</u>	<u>\$ (58,897)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (58,805)	
Adjustment to revenue for accruals and other deferrals			58,805	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
IDEA B DISCRETIONARY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	59,261	49,885	-	(49,885)
Interest	-	-	-	-
<i>Total revenues</i>	<u>59,261</u>	<u>49,885</u>	<u>-</u>	<u>(49,885)</u>
<i>Expenditures:</i>				
Current:				
Instruction	59,261	49,885	49,885	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>59,261</u>	<u>49,885</u>	<u>49,885</u>	<u>-</u>
<i>Excess (deficiency) of revenues</i> <i>over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(49,885)</u>	<u>(49,885)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(49,885)</u>	<u>(49,885)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (49,885)</u>	<u>\$ (49,885)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (49,885)	
Adjustment to revenue for accruals and other deferrals			49,885	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
IDEA B PRESCHOOL SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	10,105	10,096	6,199	(3,897)
Interest	-	-	-	-
<i>Total revenues</i>	<u>10,105</u>	<u>10,096</u>	<u>6,199</u>	<u>(3,897)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	10,105	9,995	9,995	-
Support Services				
Students	-	101	104	(3)
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,105</u>	<u>10,096</u>	<u>10,099</u>	<u>(3)</u>
<i>Excess (deficiency) of revenues</i>				
<i>over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,900)</u>	<u>(3,900)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(3,900)</u>	<u>(3,900)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,900)</u>	<u>\$ (3,900)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (3,900)	
Adjustment to revenue for accruals and other deferrals			3,900	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
CARL D. PERKINS VOC ED SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	(473)	(473)
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	(473)	(473)
<i>Net change in fund balances</i>	-	-	(473)	(473)
<i>Cash balances - beginning of year</i>	-	-	473	473
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (473)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			473	
Net change in fund balance (GAAP basis)			\$ -	

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

STATE OF NEW MEXICO

Statement A-11

TULAROSA MUNICIPAL SCHOOLS

ENHANCING EDUCATION THRU TECHNOLOGY (E2T2-F) SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	5,706	-	(5,706)
Interest	-	-	-	-
<i>Total revenues</i>	-	5,706	-	(5,706)
<i>Expenditures:</i>				
Current:				
Instruction	-	5,706	5,706	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	5,706	5,706	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(5,706)	(5,706)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(5,706)	(5,706)
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (5,706)	\$ (5,706)
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (5,706)	
Adjustment to revenue for accruals and other deferrals			5,706	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			\$ -	

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

STATE OF NEW MEXICO

Statement A-12

TULAROSA MUNICIPAL SCHOOLS

ENHANCING EDUCATION THRU TECHNOLOGY (E2T2-C) SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	0	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	12,196	12,196	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	12,196	12,196	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(12,196)	(12,196)	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	12,196	-	(12,196)
<i>Total other financing sources (uses)</i>	-	12,196	-	(12,196)
<i>Net change in fund balances</i>	-	-	(12,196)	(12,196)
<i>Cash balances - beginning of year</i>	-	-	12,196	12,196
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (12,196)	
Adjustment to revenue for accruals and other deferrals			12,196	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			\$ -	

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

STATE OF NEW MEXICO

Statement A-13

TULAROSA MUNICIPAL SCHOOLS

TITLE V PART A INNOVATIVE ED PRO STRATEGIES SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	1,329	1,609	1,406	(203)
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,329</u>	<u>1,609</u>	<u>1,406</u>	<u>(203)</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,304	1,580	1,499	81
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	25	29	28	1
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,329</u>	<u>1,609</u>	<u>1,527</u>	<u>82</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(121)</u>	<u>(121)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(121)</u>	<u>(121)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (121)</u>	<u>\$ (121)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (121)	
Adjustment to revenue for accruals and other deferrals			121	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement A-14

TULAROSA MUNICIPAL SCHOOLS

TEACHER/PRINCIPAL TRAINING & RECRUITING SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	163,973	182,390	129,829	(52,561)
Interest	-	-	-	-
<i>Total revenues</i>	<u>163,973</u>	<u>182,390</u>	<u>129,829</u>	<u>(52,561)</u>
<i>Expenditures:</i>				
Current:				
Instruction	163,574	181,656	159,464	22,192
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	399	734	734	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>163,973</u>	<u>182,390</u>	<u>160,198</u>	<u>22,192</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(30,369)</u>	<u>(30,369)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(30,369)</u>	<u>(30,369)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(12,659)</u>	<u>(12,659)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (43,028)</u>	<u>\$ (43,028)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (30,369)	
Adjustment to revenue for accruals and other deferrals			22,812	
Adjustment to expenditures for payables, prepaids and other accruals			7,557	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement A-15

TULAROSA MUNICIPAL SCHOOLS

SAFE AND DRUG FREE SCHOOLS & COMMUNITY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	10,667	13,385	4,676	(8,709)
Interest	-	-	-	-
<i>Total revenues</i>	<u>10,667</u>	<u>13,385</u>	<u>4,676</u>	<u>(8,709)</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,086	3,485	-	3,485
Support Services				
Students	9,384	9,652	5,075	4,577
Instruction	-	-	-	-
General Administration	197	248	94	154
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,667</u>	<u>13,385</u>	<u>5,169</u>	<u>8,216</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(493)</u>	<u>(493)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(493)</u>	<u>(493)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,190)</u>	<u>(1,190)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,683)</u>	<u>\$ (1,683)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (493)	
Adjustment to revenue for accruals and other deferrals			493	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement A-16

TULAROSA MUNICIPAL SCHOOLS
RURAL & LOW INCOME SCHOOLS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	28,529	56,087	66,300	10,213
Interest	-	-	-	-
<i>Total revenues</i>	<u>28,529</u>	<u>56,087</u>	<u>66,300</u>	<u>10,213</u>
<i>Expenditures:</i>				
Current:				
Instruction	28,529	56,087	48,615	7,472
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>28,529</u>	<u>56,087</u>	<u>48,615</u>	<u>7,472</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>17,685</u>	<u>17,685</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>17,685</u>	<u>17,685</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(19,011)</u>	<u>(19,011)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,326)</u>	<u>\$ (1,326)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 17,685	
Adjustment to revenue for accruals and other deferrals			(17,685)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	18,616	36,355	17,739
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	18,616	36,355	17,739
<i>Expenditures:</i>				
Current:				
Instruction	-	10,982	10,764	218
Support Services				
Students	-	-	-	-
Instruction	-	7,634	6,507	1,127
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	18,616	17,271	1,345
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	19,084	19,084
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	19,084	19,084
<i>Cash balances - beginning of year</i>	-	-	(1,345)	(1,345)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ 17,739	\$ 17,739
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 19,084	
Adjustment to revenue for accruals and other deferrals			(19,084)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			\$ -	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
OBESITY PROGRAM - PED SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	15,000	917	(14,083)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	15,000	917	(14,083)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	15,000	6,016	8,984
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	15,000	6,016	8,984
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(5,099)	(5,099)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(5,099)	(5,099)
<i>Cash balances - beginning of year</i>	-	-	507	507
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (4,592)	\$ (4,592)
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (5,099)	
Adjustment to revenue for accruals and other deferrals			507	
Adjustment to expenditures for payables, prepaids and other accruals			4,592	
Net change in fund balance (GAAP basis)			\$ -	

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

STATE OF NEW MEXICO

Statement A-19

TULAROSA MUNICIPAL SCHOOLS
 INCENTIVE FOR SCHOOL IMPROVEMENT PED SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	8,910	42,943	34,033
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	8,910	42,943	34,033
<i>Expenditures:</i>				
Current:				
Instruction	-	8,910	1,185	7,725
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	8,910	1,185	7,725
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	41,758	41,758
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	41,758	41,758
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ 41,758	\$ 41,758
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 41,758	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			(41,758)	
Net change in fund balance (GAAP basis)			\$ -	

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

STATE OF NEW MEXICO

Statement A-20

TULAROSA MUNICIPAL SCHOOLS

BEGINNING TEACHER MENTORING SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	2,787	2,787	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	2,787	2,787	-
<i>Expenditures:</i>				
Current:				
Instruction	-	2,787	2,787	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	2,787	2,787	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			\$ -	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
SB 301-GO BONDS-LAWS OF 2006 SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

Statement A-21

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	13,604	-	(13,604)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	13,604	-	(13,604)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	13,604	13,604	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	13,604	13,604	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(13,604)	(13,604)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(13,604)	(13,604)
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (13,604)	\$ (13,604)
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (13,604)	
Adjustment to revenue for accruals and other deferrals			13,604	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			\$ -	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	22,327	22,327	22,327	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>22,327</u>	<u>22,327</u>	<u>22,327</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	22,327	22,327	22,327	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>22,327</u>	<u>22,327</u>	<u>22,327</u>	<u>-</u>
<i>Excess (deficiency) of revenues</i>				
<i>over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
TECHNOLOGY EQUITY PED SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	419,700	55,654	(364,046)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>419,700</u>	<u>55,654</u>	<u>(364,046)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	77,700	23,560	54,140
Support Services				
Students	-	-	-	-
Instruction	-	342,000	49,910	292,090
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>419,700</u>	<u>73,470</u>	<u>346,230</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(17,816)</u>	<u>(17,816)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(17,816)</u>	<u>(17,816)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(11,022)</u>	<u>(11,022)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,838)</u>	<u>\$ (28,838)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (17,816)	
Adjustment to revenue for accruals and other deferrals			17,816	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
GEAR-UP CHE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	16,351	16,351
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	16,351	16,351
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues</i>	-	-	-	-
<i>over (under) expenditures</i>	-	-	16,351	16,351
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	16,351	16,351
<i>Cash balances - beginning of year</i>	-	-	(16,351)	(16,351)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 16,351	
Adjustment to revenue for accruals and other deferrals			(16,351)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			\$ -	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
BOND BUILDING CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

Statement A-25

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 8,000	\$ 8,000	-	\$ (8,000)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	15,360	15,360
<i>Total revenues</i>	<u>8,000</u>	<u>8,000</u>	<u>15,360</u>	<u>7,360</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	1,354,750	1,354,750	147,455	1,207,295
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,354,750</u>	<u>1,354,750</u>	<u>147,455</u>	<u>1,207,295</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,346,750)</u>	<u>(1,346,750)</u>	<u>(132,095)</u>	<u>1,214,655</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	865,000	865,000
Designated Cash	1,346,750	1,346,750	-	(1,346,750)
<i>Total other financing sources (uses)</i>	<u>1,346,750</u>	<u>1,346,750</u>	<u>865,000</u>	<u>(481,750)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>732,905</u>	<u>732,905</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,346,109</u>	<u>1,346,109</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,079,014</u>	<u>\$ 2,079,014</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 732,905	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			(873,552)	
Net change in fund balance (GAAP basis)			<u>\$ (140,647)</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	53,949	23,824	(30,125)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	53,949	23,824	(30,125)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	53,949	42,353	11,596
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	53,949	42,353	11,596
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(18,529)	(18,529)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(18,529)	(18,529)
<i>Cash balances - beginning of year</i>	-	-	(4,529)	(4,529)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (23,058)	\$ (23,058)
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (18,529)	
Adjustment to revenue for accruals and other deferrals			(8,452)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			\$ (26,981)	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
SPECIAL CAPITAL OUTLAY STATE CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	510,000	570,000	381,757	(188,243)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>510,000</u>	<u>570,000</u>	<u>381,757</u>	<u>(188,243)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	510,000	570,000	370,000	200,000
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>510,000</u>	<u>570,000</u>	<u>370,000</u>	<u>200,000</u>
<i>Excess (deficiency) of revenues</i> <i>over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>11,757</u>	<u>11,757</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>11,757</u>	<u>11,757</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(11,757)</u>	<u>(11,757)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 11,757	
Adjustment to revenue for accruals and other deferrals			(11,748)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ 9</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<i>Revenues:</i>				
Local and county sources	\$ 112,659	\$ 112,659	120,894	\$ 8,235
State sources	-	142,230	-	(142,230)
Federal sources	-	-	-	-
Interest	-	-	652	652
<i>Total revenues</i>	<u>112,659</u>	<u>254,889</u>	<u>121,546</u>	<u>(133,343)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	1,122	1,122	1,122	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	423,817	566,047	228,084	337,963
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>424,939</u>	<u>567,169</u>	<u>229,206</u>	<u>337,963</u>
<i>Excess (deficiency) of revenues</i> <i>over (under) expenditures</i>	<u>(312,280)</u>	<u>(312,280)</u>	<u>(107,660)</u>	<u>204,620</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	312,280	312,280	-	(312,280)
<i>Total other financing sources (uses)</i>	<u>312,280</u>	<u>312,280</u>	<u>-</u>	<u>(312,280)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(107,660)</u>	<u>(107,660)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>353,993</u>	<u>353,993</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,333</u>	<u>\$ 246,333</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (107,660)	
Adjustment to revenue for accruals and other deferrals			(8,182)	
Adjustment to expenditures for payables, prepaids and other accruals			4,996	
Net change in fund balance (GAAP basis)			<u>\$ (110,846)</u>	

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

STATE OF NEW MEXICO

Statement A-29

TULAROSA MUNICIPAL SCHOOLS
PUBLIC SCHOOL CAPITAL OUTLAY-20% CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 2,900	\$ 2,900	-	\$ (2,900)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	2,477	2,477
<i>Total revenues</i>	<u>2,900</u>	<u>2,900</u>	<u>2,477</u>	<u>(423)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	186,046	186,046	14,496	171,550
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>186,046</u>	<u>186,046</u>	<u>14,496</u>	<u>171,550</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(183,146)</u>	<u>(183,146)</u>	<u>(12,019)</u>	<u>171,127</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	183,146	183,146	-	(183,146)
<i>Total other financing sources (uses)</i>	<u>183,146</u>	<u>183,146</u>	<u>-</u>	<u>(183,146)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(12,019)</u>	<u>(12,019)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>182,019</u>	<u>182,019</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 170,000</u>	<u>\$ 170,000</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (12,019)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ (12,019)</u>	

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
DEBT SERVICE FUND

Statement A-29

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 514,694	\$ 514,694	\$ 518,692	\$ 3,998
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	944	944
<i>Total revenues</i>	<u>514,694</u>	<u>514,694</u>	<u>519,636</u>	<u>4,942</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	5,251	5,251	5,187	64
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plan	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Service:				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	385,000	385,000	385,000	-
Interest	128,294	128,294	128,294	-
<i>Total expenditures</i>	<u>518,545</u>	<u>518,545</u>	<u>518,481</u>	<u>64</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,851)</u>	<u>(3,851)</u>	<u>1,155</u>	<u>5,006</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	3,851	3,851	-	(3,851)
<i>Total other financing sources (uses)</i>	<u>3,851</u>	<u>3,851</u>	<u>-</u>	<u>(3,851)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,155</u>	<u>1,155</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>372,549</u>	<u>372,549</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 373,704</u>	<u>\$ 373,704</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 1,155	
Adjustment to revenue for accruals and other deferrals			350	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net change in fund balance (GAAP basis)			<u>\$ 1,505</u>	

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

FIDUCIARY FUNDS

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS

FIDUCIARY FUNDS

Agency Funds

Agency Funds – To account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Tularosa Municipal Schools has the following funds classified as Agency Funds:

Activity – To account for assets held by the District until distributed to various organizations at the schools.

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
For the Year Ended June 30, 2008

Schedule B

	<u>Balance</u> <u>June 30, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
ASSETS				
Elementary School Funds	\$ 80,753	\$ 30,397	\$ (15,185)	\$ 95,965
Middle School Funds	6,331	5,858	(6,584)	5,605
High School Funds	9,277	42,994	(38,715)	13,556
Intermediate School Funds	1,056	13,745	(12,313)	2,488
Total Assets	<u>\$ 97,417</u>	<u>\$ 92,994</u>	<u>\$ (72,797)</u>	<u>\$ 117,614</u>
LIABILITIES				
Deposits held for others	97,417	92,994	(72,797)	117,614
Total Liabilities	<u>\$ 97,417</u>	<u>\$ 92,994</u>	<u>\$ (72,797)</u>	<u>\$ 117,614</u>

(This page intentionally left blank.)

SUPPORTING SCHEDULES

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY
June 30, 2008

Schedule I

Name of Depository	Description of Pledged Collateral	PAR/Fair Market Value June 30, 2007	Name and Location of Safekeeper
First National Bank	FNMA 664033 31391DV26 5.00% 7/1/2018	\$ 620,491	Federal Home Loan Bank of Dallas Irving, TX
First National Bank	FNMA 745004 31403CU58 5.50% 2/1/2025	687,147	Federal Home Loan Bank of Dallas Irving, TX
First National Bank	Torrance County NM Mun 891400HM8 4.15% 7/1/2010 *	300,000	Federal Home Loan Bank of Dallas Irving, TX
First National Bank	FHR 1382 KA 312912WF1 6.25% 10/15/2022	65,704	Federal Home Loan Bank of Dallas Irving, TX
First National Bank	GNMA 36202DX22 5.0% 6/20/2018	393,991	Federal Home Loan Bank of Dallas Irving, TX
Western Bank	FNMA 313618S92 8/1/2017	25,791	Western Bank Alamagordo, NM
Western Bank	GNMA 36202KA47 5/20/2016	33,357	Western Bank Alamagordo, NM
Western Bank	GNMA 36225KA47 5/20/2029	43,893	Western Bank Alamagordo, NM
	Total Collateral Pledged	\$ <u>2,170,374</u>	

* Stated at Par Value

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS
June 30, 2008

Schedule II

Deposit or Investment Account Type	First National Bank of NM	Western Bank	State Treasurer's LGIP	Total
Operational Checking	\$ 840,036	\$ -	\$ -	\$ 840,036
Cafeteria Checking	100,735	-	-	100,735
Debt Service Checking	359,112	-	-	359,112
Federal Projects Checking	146,220	-	-	146,220
General Building Checking	2,161,286	-	-	2,161,286
Transportation Checking	47,045	-	-	47,045
Payroll Clearing Checking	636,224	-	-	636,224
Non Instructional Support Checking	-	27,743	-	27,743
Elementary School Checking	-	95,965	-	95,965
Intermediate School Checking	-	2,488	-	2,488
Middle School Checking	-	5,604	-	5,604
High School Checking	-	13,614	-	13,614
State Treasurer's LGIP	-	-	468,604	468,604
Total On Deposit	4,290,658	145,414	468,604	4,904,676
Reconciling Items	(261,352)	(1,687)	-	(263,039)
Reconciled Balance June 30, 2008	\$ 4,029,306	\$ 143,727	\$ 468,604	\$ 4,641,637

Reconciliation to financial statements:

Cash and cash equivalents:

Total cash and cash equivalents per Statement of Net Assets	\$ 4,524,023
Total cash and cash equivalents per Fiduciary Statement of Assets and Liabilities	<u>117,614</u>
	<u>\$ 4,641,637</u>

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

STATE OF NEW MEXICO
Tularosa Municipal Schools
Cash Reconciliation
June 30, 2008

	Operational Account	Transportation Account	Instructional Materials Account	Food Services Account	Athletics Account
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash per June 30, 2007 audit report	\$ 1,160,166	\$ 40,344	\$ 16,983	\$ 101,903	\$ 11,526
Add:					
2007-08 revenues	8,138,338	482,284	107,293	425,737	26,131
Loans from other funds	<u>298,445</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash available	9,596,950	522,628	124,276	527,640	37,657
Less:					
2007-08 expenditures	(7,937,628)	(515,971)	(98,339)	(435,541)	(33,810)
Receivables/Payables	1,044		-	8,636	-
Permanent Cash Transfers	(297,883)	-	-	-	-
Voided Checks	304	-	-	-	-
Loans (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2008	<u>\$ 1,362,787</u>	<u>\$ 6,657</u>	<u>\$ 25,937</u>	<u>\$ 100,735</u>	<u>\$ 3,847</u>
Bank balance end of year	\$ 1,083,755	\$ 47,045	\$ 25,937	\$ 100,735	\$ 3,847
Deposits in transit	-	-	-	-	-
Outstanding checks	(174,845)	(40,388)	-	-	-
Held checks	453,877	-	-	-	-
Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2008	<u>\$ 1,362,787</u>	<u>\$ 6,657</u>	<u>\$ 25,937</u>	<u>\$ 100,735</u>	<u>\$ 3,847</u>

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

Activities Account	Non-Instructional Fund	Federal Projects	Local/State Account	Bond Building	Public Schools Capital Outlay
\$ 97,416	\$ 19,214	\$ 10,646	\$ (28,210)	\$ 1,351,995	\$ (4,529)
92,994	58,192	1,083,537	177,334	877,140	23,824
-	-	173,020	-	-	23,058
190,410	77,406	1,267,203	149,124	2,229,135	42,353
(72,796)	(55,140)	(1,269,547)	(136,660)	(147,455)	(42,265)
-	-	-	-	-	-
-	-	297,973	(1)	-	(88)
-	-	2,816	-	-	-
-	-	(298,445)	-	-	-
<u>\$ 117,614</u>	<u>\$ 22,266</u>	<u>\$ (0)</u>	<u>\$ 12,463</u>	<u>\$ 2,081,680</u>	<u>\$ -</u>
\$ 117,671	\$ 23,896	\$ -	\$ 12,463	\$ 2,084,467	\$ -
-	-	-	-	-	-
(57)	(1,630)	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(2,787)	-
<u>\$ 117,614</u>	<u>\$ 22,266</u>	<u>\$ -</u>	<u>\$ 12,463</u>	<u>\$ 2,081,680</u>	<u>\$ -</u>

(This page intentionally left blank.)

STATE OF NEW MEXICO
Tularosa Municipal Schools
Cash Reconciliation
6/30/2008

Schedule III
(Page 2 of 2)

	Special Capital Outlay State	Capital Improvements SB 9	Public Schools Cap Out 20%	Debt Service Fund	Total
Cash per June 30, 2007 audit report	\$ (11,757)	\$ 353,993	\$ 182,019	\$ 372,549	\$ 3,674,258
Add:					
2007-08 revenues	381,757	121,546	2,477	519,636	12,518,220
Loans from other funds	-	-	-	-	494,523
Total cash available	370,000	475,539	184,496	892,185	16,687,001
Less:					
2007-08 expenditures	(370,000)	(229,205)	(14,496)	(518,481)	(11,877,334)
Receivables/Payables	-	-	-	-	9,680
Permanent Cash Transfers	(1)	-	-	-	-
Voided Checks	-	-	-	-	3,121
Loans (to) from other funds	-	-	-	-	(298,445)
Cash June 30, 2008	\$ (1)	\$ 246,334	\$ 170,000	\$ 373,704	\$ 4,524,023
Bank balance end of year	\$ (1)	\$ 246,334	\$ 170,000	\$ 373,704	\$ 4,289,853
Deposits in transit	-	-	-	-	-
Outstanding checks	-	-	-	-	(216,920)
Held checks	-	-	-	-	453,877
Adjustments	-	-	-	-	(2,787)
Cash June 30, 2008	\$ (1)	\$ 246,334	\$ 170,000	\$ 373,704	\$ 4,524,023

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

(This page intentionally left blank.)

COMPLIANCE SECTION

(This page intentionally left blank.)

**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***

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget and
The Governing Board
Tularosa Municipal Schools
Tularosa, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparison statements of the major fund activities of Tularosa Municipal Schools, as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents and have issued our report thereon dated October 28, 2008. We also have audited the financial statements and budgetary comparison schedules of each of the District's nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008 as listed in the table of contents. 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 Tularosa Municipal Schools' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tularosa Municipal Schools' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Tularosa Municipal Schools' internal control over financial reporting.

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

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

(This page intentionally left blank.)

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tularosa Municipal Schools' 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as finding FS-07-01.

Tularosa Municipal Schools' response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit Tularosa Municipal Schools' response and accordingly, we do not express an opinion on it.

This report is intended solely for the information and use of the audit committee, management, others within the organization, the Office of the State Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Precision Accounting LLC
Albuquerque, New Mexico
October 28, 2008

(This page intentionally left blank.)

FEDERAL FINANCIAL ASSISTANCE

(This page intentionally left blank.)

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

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget and
The Governing Board
Tularosa Municipal Schools
Tularosa, New Mexico

Compliance

We have audited the compliance of Tularosa Municipal Schools, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Tularosa Municipal Schools major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Tularosa Municipal Schools' management. Our responsibility is to express an opinion on Tularosa Municipal Schools' compliance based on our audit.

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

In our opinion, Tularosa Municipal Schools complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008. We noted no instances of noncompliance.

Internal Control Over Compliance

The management of Tularosa Municipal Schools is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Tularosa Municipal Schools' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Tularosa Municipal Schools' internal control over compliance.

(This page intentionally left blank.)

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

This report is intended solely for the information and use of the audit committee, management, others within the organization, the Office of the State Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Precision Accounting LLC
Albuquerque, New Mexico
October 28, 2008

(This page intentionally left blank.)

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2008

Schedule IV

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Program or Award Amount	Disbursements/ Expenditures
<i>Direct Programs:</i>				
U.S. Department of Health and Human Services				
Impact Aid	93.778	25147	\$ 41,904	\$ 41,904
Impact Aid	93.778	25145	29,721	29,721
Total Direct Programs			<u>71,625</u>	<u>71,625</u>
U.S. Department of Agriculture				
Passed through NM Public Education Department:				
Commodities Program	10.550	21000	24,079	24,079
National School Lunch Program	10.555	21000	214,867	214,867
National School Breakfast Program	10.553	21000	145,673	145,673
National School Snack Program	10.556	21000	3,642	3,642
Total U.S. Department of Agriculture			<u>388,261</u>	<u>388,261</u>
U.S. Department of Education				
Passed through NM Public Education Department:				
ESEA-Title I Basic (1)	84.010	24101	673,382	673,382
IDEA B Entitlement (1)	84.027	24106	294,554	294,554
IDEA B Discretionary (1)	84.027	24107	49,885	49,885
IDEA B Preschool (1)	84.173	24109	10,099	10,099
Carl D. Perkins	84.173	24119	473	473
Enhancing Ed thru Technology	84.196	24133	5,706	5,706
Enhancing Ed thru Technology	10.582	24149	12,196	12,196
Title V Innovative Ed	84.318	24150	1,527	1,527
Teacher/Principal Training and Recruiting (1)	84.367A	24154	160,198	160,198
Safe and Drug Free Schools and Communities	84.186A	24157	5,169	5,169
Rural & Low Income Schools	84.298	24160	48,615	48,615
Total U.S. Department of Education			<u>1,261,804</u>	<u>1,261,804</u>
Total Federal Financial Assistance			<u>\$ 1,721,690</u>	<u>\$ 1,721,690</u>

(1) Major program

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

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

2. Subrecipients

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

3. Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2008 was \$24,079.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 1,721,690
Total expenditures funded by other sources	<u>10,270,727</u>
Total expenditures	<u>\$ 11,992,417</u>

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

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2008

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Tularosa Municipal Schools.
2. No significant deficiencies were disclosed during the audit of the financial statements.
3. One instance of noncompliance material to the financial statements of Tularosa Municipal Schools was disclosed during the audit.
4. There were no audit findings required to be reported under A-133.510(a).
5. The auditor's report on compliance for major federal award programs for Tularosa Municipal Schools expresses an unqualified opinion.
6. The programs tested as major were the Title I CFDA No. 84.010 IDEA B Entitlement CFDA No. 84.027, IDEA B Discretionary CFDA No. 84.027, IDEA B Preschool CFDA No. 84.173, and Title IIA Teacher/Principal Training CFDA No. 84.367A
7. The threshold for distinguishing Types A and B programs was \$300,000.
8. Tularosa Municipal Schools qualified as a low risk auditee.

B. FINDINGS-FINANCIAL STATEMENT AUDIT

FS-07-01 Pledged Collateral (Repeated)

CONDITION: During our review of pledged collateral, we noted that one of the Banks for Tularosa Municipal Schools did not maintain adequate pledged collateral to meet the requirements set forth in state statutes.

REASON IMPROVEMENT NEEDED: 6.10.16, NMSA 1978 states that securities which are obligations of the State of New Mexico, its agencies, institutions, counties, municipalities or other subdivisions shall be accepted as security at par value. All other securities shall be accepted as security at market value. The restrictions of Subsection A of this section apply to all securities subject to this subsection.

CAUSE OF CONDITION: A lack of monitoring of pledged collateral by the District and the bank did not provide sufficient pledged collateral for the bank balances.

EFFECT OF CONDITION: Tularosa Municipal Schools is out of compliance with 6.10.16, NMSA 1978 pertaining to pledged collateral of public funds.

RECOMMENDATION: We recommend that management of Tularosa Municipal Schools contact the bank and request that the bank come into compliance with the required statutes and that the District implement a monitoring process for pledged collateral on a monthly basis.

COSTS AND BENEFITS OF RECOMMENDED ACTION: There is no cost to Tularosa Municipal Schools but the benefit is compliance with state statute 6.10.16, NMSA 1978.

CLIENT RESPONSE: I discussed the lack of sufficient pledged collateral with the Accounting Manager for the First National Bank. I supplied her with a copy of the state statute. She brought the problem up to her supervisor. The bank apologized for the deficiency as they were not aware of the stipulation regarding the use of market versus par value and thanked us for making them aware as they have many governmental agencies banking with them. The bank has assured me the school's bank account balances will be sufficiently collateralized as required by state statute.

STATE OF NEW MEXICO
TULAROSA MUNICIPAL SCHOOLS
OTHER DISCLOSURES
Year Ended June 30, 2008

C. PRIOR YEAR AUDIT FINDINGS

FS 07-01 Pledged Collateral-revised and repeated

A. AUDITOR PREPARED FINANCIAL STATEMENTS

Kathleen Richardson, the Business Manager, is capable of preparing, understanding and accepting responsibility for the GAAP basic financial statements. The District contracted with the auditor to prepare the GAAP-basis financial statements and footnotes for inclusion in the annual audit report.

B. EXIT CONFERENCE

The contents of this report were discussed on October 10, 2008. The following individuals were in attendance.

Tularosa Municipal Schools
Jimmie Tucker, Board Member
Brenda Vigil, Superintendent
Kathleen Richardson, Business Manager
Brenda Rollerson
Judy Montoya
Sandy Montoya
Tom Brejler

Precision Accounting LLC
Melissa R. Santistevan, CPA
C. Jack Emmons, CPA, CFE