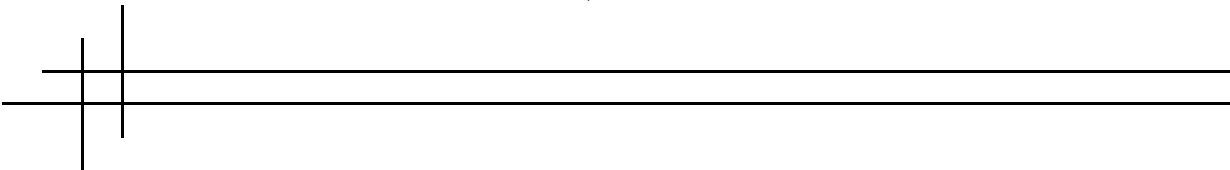


STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS

ANNUAL FINANCIAL REPORT
June 30, 2009

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



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ARTESIA PUBLIC SCHOOLS
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STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
Official Roster
June 30, 2009

BOARD OF EDUCATION

Lowell M. Irby	President
Carolyn Shearman	Vice-President
Margaret Aguilar	Secretary
Jeff Bowman	Member
Alden Elkins	Member

SCHOOL OFFICIALS

James M. Phipps	Superintendent
Camille George	Assistant Superintendent for Curriculum
Juan C. Saiz	Assistant Superintendent for Operations
Jacquelyn Sanderson	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Independent Auditor's Report

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the ARTESIA PUBLIC SCHOOL DISTRICT NO. 22

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of ARTESIA PUBLIC SCHOOL DISTRICT NO. 22, (District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

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

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

Our audit was conducted for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by US Office on Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

De'Aun Willoughby CPA PC

November 6, 2009

FINANCIAL SECTION

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 Government-Wide Statement of Net Assets
 June 30, 2009

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 11,165,840
Taxes Receivable	392,975
Due from Grantor	301,473
Inventory	6,107
Total Current Assets	<u>11,866,395</u>
Noncurrent Assets	
Capital Assets	73,919,661
Less: Accumulated Depreciation	<u>(35,517,470)</u>
Total Noncurrent Assets	<u>38,402,191</u>
Total Assets	<u>50,268,586</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	81,753
Accrued Interest	53,953
Deferred Revenue	60,137
Current Portion of Long-Term Debt	835,000
Total Current Liabilities	<u>1,030,843</u>
Noncurrent Liabilities	
Bonds and Notes, Net	2,739,154
Compensated Absences	70,932
Total Noncurrent Liabilities	<u>2,810,086</u>
Total Liabilities	<u>3,840,929</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	34,828,037
Restricted for:	
Debt Service	1,119,914
Unrestricted	10,479,706
Total Net Assets	<u>\$ 46,427,657</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 Government-Wide Statement of Activities
 For the Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 21,855,188	\$ 536,316	\$ 2,044,384	\$ 0	\$ (19,274,488)
Support Services-Students	2,655,344	0	391,698	0	(2,263,646)
Support Services-Instruction	901,371	0	15,511	0	(885,860)
General Administration	658,976	0	37,266	0	(621,710)
School Administration	2,486,601	0	396,513	0	(2,090,088)
Central Services	616,369	0	0	0	(616,369)
Operation of Plant	5,879,505	0	281,470	0	(5,598,035)
Student Transportation	1,505,306	0	1,511,096	0	5,790
Food Services Operations	1,487,348	517,067	901,875	0	(68,406)
Community Service	82,600	0	5,000	0	(77,600)
Interest on Long-Term Obligations	123,116	0	0	0	(123,116)
Total Governmental Activities	\$ <u>38,251,724</u>	\$ <u>1,053,383</u>	\$ <u>5,584,813</u>	\$ <u>0</u>	<u>(31,613,528)</u>
General Revenues					
Taxes					
					687,695
					997,105
					8,750,498
Federal and State aid not restricted to specific purpose					
					25,320,713
					201,585
Interest and investment earnings					
					42,176
Miscellaneous					
					249,152
Subtotal, General Revenues					
					<u>36,248,924</u>
Change in Net Assets					
					<u>4,635,396</u>
Net Assets - beginning					
					41,765,773
Restatement					
					26,488
Restated Beginning Net Assets					
					<u>41,792,261</u>
Net Assets - ending					
					<u>\$ 46,427,657</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2009

	General Fund		
	Operational 11000	Teacherage 12000	Transportation 13000
ASSETS			
Cash and Cash Equivalents	\$ 1,018,350	\$ 0	\$ 0
Receivables			
Taxes	24,080	0	0
Due From Grantor	0	0	0
Interfund Balances	301,102	0	0
Inventory	0	0	0
Total Assets	<u>\$ 1,343,532</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 0	\$ 0
Accounts Payable	31,578	0	0
Deferred Revenue	22,105	0	0
Total Liabilities	<u>53,683</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Retirement of Long-Term Debt	0	0	0
Unreserved, Undesignated, reported in:			
General Fund	1,289,849	0	0
Special Revenue Funds	0	0	0
Capital Improvements	0	0	0
Total Fund Balances	<u>1,289,849</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 1,343,532</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2009

	<u>General Fund</u>		
	<u>Instructional</u>		
	Materials	Title I-Stimulus	House Bill 33
	<u>14000</u>	<u>24201</u>	<u>31600</u>
ASSETS			
Cash and Cash Equivalents	\$ 76,801	\$ 0	\$ 7,303,423
Receivables			
Taxes	0	0	247,408
Due From Grantor	0	107,367	0
Interfund Balances	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 76,801</u>	<u>\$ 107,367</u>	<u>\$ 7,550,831</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 107,367	\$ 0
Accounts Payable	108	0	0
Deferred Revenue	0	0	229,044
Total Liabilities	<u>108</u>	<u>107,367</u>	<u>229,044</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Retirement of Long-Term Debt	0	0	0
Unreserved, Undesignated, reported in:			
General Fund	76,693	0	0
Special Revenue Funds	0	0	0
Capital Improvements	0	0	7,321,787
Total Fund Balances	<u>76,693</u>	<u>0</u>	<u>7,321,787</u>
Total Liabilities and Fund Balances	<u>\$ 76,801</u>	<u>\$ 107,367</u>	<u>\$ 7,550,831</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2009

	Senate Bill Nine 31700	Other Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 1,280,914	\$ 1,486,352	\$ 11,165,840
Receivables			
Taxes	88,619	32,868	392,975
Due From Grantor	0	194,106	301,473
Interfund Balances	0	0	301,102
Inventory	0	6,107	6,107
Total Assets	<u>\$ 1,369,533</u>	<u>\$ 1,719,433</u>	<u>\$ 12,167,497</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	\$ 0	\$ 193,735	\$ 301,102
Accounts Payable	45,948	4,119	81,753
Deferred Revenue	88,619	90,061	429,829
Total Liabilities	<u>134,567</u>	<u>287,915</u>	<u>812,684</u>
Fund Balances			
Reserved for:			
Inventory	0	6,107	6,107
Retirement of Long-Term Debt	0	1,119,914	1,119,914
Unreserved, Undesignated, reported in:			
General Fund	0	0	1,366,542
Special Revenue Funds	0	305,497	305,497
Capital Improvements	1,234,966	0	8,556,753
Total Fund Balances	<u>1,234,966</u>	<u>1,431,518</u>	<u>11,354,813</u>
Total Liabilities and Fund Balances	<u>\$ 1,369,533</u>	<u>\$ 1,719,433</u>	<u>\$ 12,167,497</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2009

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

Total Fund Balance - Governmental Funds		\$	11,354,813
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.			
	The cost of capital assets	\$	73,919,661
	Accumulated depreciation is		<u>(35,517,470)</u>
			38,402,191
Property taxes receivable will be collected after the period of availability, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.			
			369,692
Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of :			
	Bond payable		(3,635,000)
	Issue Costs		152,115
	Accumulated Amortization		(91,269)
	Accrued interest on bonds		(53,953)
	Compensated Absenses		<u>(70,932)</u>
			<u>(3,699,039)</u>
Total net assets - governmental activities		\$	<u>46,427,657</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	General Fund		
	Operational 11000	Teacherage 12000	Transportation 13000
Revenues			
Property Taxes	\$ 687,524	\$ 0	\$ 0
Interest Income	18,199	0	0
Fees	363,749	0	0
State & Local Grants	25,298,853	0	1,511,096
Federal Grants	21,860	0	0
Miscellaneous	194,860	17,398	0
Total Revenues	26,585,045	17,398	1,511,096
Expenditures			
Current			
Instruction	17,159,504	0	0
Support Service-Students	2,245,278	0	0
Support Services-Instruction	886,360	0	0
Support Services-General Administration	602,266	0	0
Support Services-School Administration	2,109,364	0	0
Central Services	627,549	0	0
Operation & Maintenance of Plant	3,119,268	17,398	0
Transportation	0	0	1,511,096
Other	13,088	0	0
Community Services	77,600	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	26,840,277	17,398	1,511,096
Excess (Deficiency) of Revenues Over Expenditures	(255,232)	0	0
Other Financing Sources (Uses)			
Transfers In(Out)	(70,849)	0	0
Total Other Sources (Uses)	(70,849)	0	0
Net Change in Fund Balance	(326,081)	0	0
Fund Balances at Beginning of Year	1,615,930	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	1,615,930	0	0
Fund Balance End of Year	\$ 1,289,849	\$ 0	\$ 0

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	<u>General Fund</u>		
	<u>Instructional Materials 14000</u>	<u>Title I-Stimulus 24201</u>	<u>House Bill 33 31600</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 5,945,229
Interest Income	0	0	19,155
Fees	0	0	0
State & Local Grants	391,082	0	0
Federal Grants	0	107,367	0
Miscellaneous	0	0	6,520
Total Revenues	<u>391,082</u>	<u>107,367</u>	<u>5,970,904</u>
Expenditures			
Current			
Instruction	327,004	105,513	0
Support Service-Students	0	0	0
Support Services-Instruction	6,779	0	0
Support Services-General Administration	0	1,854	20,330
Support Services-School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	732,405
Transportation	0	0	0
Other	0	0	0
Community Services	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	3,829,462
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>333,783</u>	<u>107,367</u>	<u>4,582,197</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>57,299</u>	<u>0</u>	<u>1,388,707</u>
Other Financing Sources (Uses)			
Transfers In(Out)	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>57,299</u>	<u>0</u>	<u>1,388,707</u>
Fund Balances at Beginning of Year	19,394	0	5,933,080
Restatement	0	0	0
Restated Beginning Fund Balance	<u>19,394</u>	<u>0</u>	<u>5,933,080</u>
Fund Balance End of Year	<u>\$ 76,693</u>	<u>\$ 0</u>	<u>\$ 7,321,787</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2009

	Senate Bill Nine 31700	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$ 2,768,730	\$ 997,492	\$ 10,398,975
Interest Income	2,282	2,540	42,176
Fees	0	836,954	1,200,703
State & Local Grants	281,470	342,638	27,825,139
Federal Grants	0	3,005,425	3,134,652
Miscellaneous	9,300	21,073	249,151
Total Revenues	<u>3,061,782</u>	<u>5,206,122</u>	<u>42,850,796</u>
Expenditures			
Current			
Instruction	0	1,755,189	19,347,210
Support Service-Students	0	410,066	2,655,344
Support Services-Instruction	0	14,618	907,757
Support Services-General Administration	9,581	38,324	672,355
Support Services-School Administration	0	396,513	2,505,877
Central Services	0	0	627,549
Operation & Maintenance of Plant	2,007,092	0	5,876,163
Transportation	0	0	1,511,096
Other	0	0	13,088
Community Services	0	5,000	82,600
Food Services	0	1,487,281	1,487,281
Capital Outlay	514,935	218,289	4,562,686
Debt Service			
Principal	0	805,000	805,000
Interest	0	117,082	117,082
Total Expenditures	<u>2,531,608</u>	<u>5,247,362</u>	<u>41,171,088</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>530,174</u>	<u>(41,240)</u>	<u>1,679,708</u>
Other Financing Sources (Uses)			
Transfers In(Out)	0	70,849	0
Total Other Sources (Uses)	<u>0</u>	<u>70,849</u>	<u>0</u>
Net Change in Fund Balance	<u>530,174</u>	<u>29,609</u>	<u>1,679,708</u>
Fund Balances at Beginning of Year	704,792	1,375,421	9,648,617
Restatement	0	26,488	26,488
Restated Beginning Fund Balance	<u>704,792</u>	<u>1,401,909</u>	<u>9,675,105</u>
Fund Balance End of Year	<u>\$ 1,234,966</u>	<u>\$ 1,431,518</u>	<u>\$ 11,354,813</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2009

Net Change in Fund Balance-Governmental Funds \$ 1,679,708

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

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues in the governmental funds, and are instead reported as deferred revenues. They are however, recorded as revenues in the Statement of Activities. 36,323

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

Depreciation expense	\$ (2,514,418)	
Capital Outlays	<u>4,562,686</u>	2,048,268

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

Principal paid for bonds	805,000	
Accrued interest on bonds	<u>9,177</u>	814,177

Bond issue costs are amortized in the Statement of Activities but are netted with proceeds of bond issues in the year of issue on the Statement of Revenues, Expenditures and Changes in Fund Balances. This is the amount of the amortized bond issue costs this year. (15,212)

Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 72,132

Changes in Net Assets of Governmental Activities \$ 4,635,396

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 546,150	\$ 546,150	\$ 736,664	\$ 190,514
Interest Income	20,000	20,000	18,199	(1,801)
Fees	95,000	95,000	363,749	268,749
State Grant	25,517,456	25,517,456	25,298,853	(218,603)
Federal Grant	4,417	4,417	21,860	17,443
Miscellaneous	157,450	157,450	194,860	37,410
Total Revenues	<u>26,340,473</u>	<u>26,340,473</u>	<u>26,634,185</u>	<u>293,712</u>
Expenditures				
Instruction				
Personnel Services	12,548,066	12,850,340	12,742,508	107,832
Employee Benefits	4,243,751	3,915,477	3,896,763	18,714
Professional & Tech Services	35,269	42,059	41,933	126
Purchased Services	281,941	301,151	264,728	36,423
Supplies	315,757	315,757	228,752	87,005
Total Instruction	<u>17,424,784</u>	<u>17,424,784</u>	<u>17,174,684</u>	<u>250,100</u>
Support Services-Students				
Personnel Services	1,375,617	1,530,404	1,510,563	19,841
Employee Benefits	486,540	474,560	469,764	4,796
Professional & Tech Services	302,235	299,633	256,114	43,519
Purchased Services	216	216	0	216
Supplies	209,444	68,699	14,278	54,421
Support Services-Students	<u>2,374,052</u>	<u>2,373,512</u>	<u>2,250,719</u>	<u>122,793</u>
Support Services-Instruction				
Personnel Services	589,726	648,362	618,329	30,033
Employee Benefits	320,803	258,886	238,464	20,422
Supplies	25,000	28,821	26,291	2,530
Support Services-Instruction	<u>935,529</u>	<u>936,069</u>	<u>883,084</u>	<u>52,985</u>
Support Services-General Administration				
Personnel Services	320,504	349,425	348,181	1,244
Employee Benefits	140,425	111,079	90,527	20,552
Professional & Tech Services	141,611	139,760	106,635	33,125
Purchased Services	43,420	43,420	28,768	14,652
Supplies	40,049	42,325	39,626	2,699
Total Support Services-General Administration	<u>\$ 686,009</u>	<u>\$ 686,009</u>	<u>\$ 613,737</u>	<u>\$ 72,272</u>

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-School Administration				
Personnel Services	\$ 1,590,704	\$ 1,610,730	\$ 1,600,575	\$ 10,155
Employee Benefits	587,207	514,451	475,475	38,976
Professional & Tech Services	7,938	13,135	11,849	1,286
Purchased Services	3,500	5,492	5,492	0
Supplies	75,778	75,778	17,221	58,557
Total Support Services-School Administration	<u>2,265,127</u>	<u>2,219,586</u>	<u>2,110,612</u>	<u>108,974</u>
Central Services				
Personnel Services	470,075	477,910	477,807	103
Employee Benefits	140,956	130,956	130,412	544
Professional & Tech Services	4,080	12,580	10,348	2,232
Purchased Services	7,586	8,586	3,489	5,097
Supplies	35,500	28,165	5,256	22,909
Total Central Services	<u>658,197</u>	<u>658,197</u>	<u>627,312</u>	<u>30,885</u>
Operation & Maintenance of Plant				
Personnel Services	1,262,735	1,391,354	1,386,882	4,472
Employee Benefits	509,521	491,443	490,436	1,007
Professional & Tech Services	2,941	10,542	2,941	7,601
Purchased Property Services	771,102	640,269	626,683	13,586
Purchased Services	539,222	541,725	540,403	1,322
Supplies	130,340	107,556	107,556	0
Total Operation & Maintenance of Plant	<u>3,215,861</u>	<u>3,182,889</u>	<u>3,154,901</u>	<u>27,988</u>
Other Support Services				
Other	0	13,088	13,088	0
Total Other Support Services	<u>0</u>	<u>13,088</u>	<u>13,088</u>	<u>0</u>
Community Services				
Personnel Services	47,177	49,034	49,034	0
Employee Benefits	59,914	51,369	28,567	22,802
Professional & Tech Services	22,673	22,673	0	22,673
Supplies	2,978	2,978	0	2,978
Total Community Services	<u>132,742</u>	<u>126,054</u>	<u>77,601</u>	<u>48,453</u>
Total Expenditures	<u>27,692,301</u>	<u>27,620,188</u>	<u>26,905,738</u>	<u>714,450</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ <u>(1,351,828)</u>	\$ <u>(1,279,715)</u>	\$ <u>(271,553)</u>	\$ <u>1,008,162</u>

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Other Financing Sources (Uses)				
Transfers	\$ 0	\$ 0	\$ (70,848)	\$ (70,848)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(70,848)</u>	<u>(70,848)</u>
Net Change in Fund Balance	(1,351,828)	(1,279,715)	(342,401)	937,314
Cash Balance Beginning of Year	<u>1,661,853</u>	<u>1,661,853</u>	<u>1,661,853</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 310,025</u>	<u>\$ 382,138</u>	<u>\$ 1,319,452</u>	<u>\$ 937,314</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (342,401)	
Net change in Taxes Receivable			(48,969)	
Net change in Accounts Payable			65,460	
Net change in Deferred Revenue			(171)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>(326,081)</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GENERAL FUND-TEACHERAGE-12000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Miscellaneous	\$ 48,000	\$ 48,000	\$ 17,398	\$ (30,602)
Total Revenues	<u>48,000</u>	<u>48,000</u>	<u>17,398</u>	<u>(30,602)</u>
Expenditures				
Operation & Maintenance of Plant				
Purchased Property Services	38,000	40,058	9,458	30,600
Other Purchased Services	10,000	0	0	0
Supplies	0	191	190	1
Supply Assets	0	7,751	7,750	1
Total Operation & Maintenance of Plant	<u>48,000</u>	<u>48,000</u>	<u>17,398</u>	<u>30,602</u>
Total Expenditures	<u>48,000</u>	<u>48,000</u>	<u>17,398</u>	<u>30,602</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GENERAL FUND-TRANSPORTATION-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 1,442,158	\$ 1,511,096	\$ 1,511,096	\$ 0
Total Revenues	<u>1,442,158</u>	<u>1,511,096</u>	<u>1,511,096</u>	<u>0</u>
Expenditures				
Pupil Transportation				
Personnel Services	90,595	94,872	94,872	0
Employee Benefits	24,818	24,168	24,168	0
Professional & Tech Services	1,300	2,981	2,981	0
Purchased Property Services	95,761	157,873	157,873	0
Other Purchased Services	1,228,122	1,223,710	1,223,710	0
Supplies	1,562	7,492	7,492	0
Total Pupil Transportation	<u>1,442,158</u>	<u>1,511,096</u>	<u>1,511,096</u>	<u>0</u>
Total Expenditures	<u>1,442,158</u>	<u>1,511,096</u>	<u>1,511,096</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 323,352	\$ 391,082	\$ 391,082	\$ 0
Total Revenues	<u>323,352</u>	<u>391,082</u>	<u>391,082</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>304,080</u>	<u>400,896</u>	<u>327,590</u>	<u>73,306</u>
Total Instruction	<u>304,080</u>	<u>400,896</u>	<u>327,590</u>	<u>73,306</u>
Support Services-Instruction				
Supplies	<u>19,272</u>	<u>21,688</u>	<u>18,193</u>	<u>3,495</u>
Total Support Services-Instruction	<u>19,272</u>	<u>21,688</u>	<u>18,193</u>	<u>3,495</u>
Total Expenditures	<u>323,352</u>	<u>422,584</u>	<u>345,783</u>	<u>76,801</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(31,502)	45,299	76,801
Cash Balance Beginning of Year	<u>31,502</u>	<u>31,502</u>	<u>31,502</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 31,502</u>	<u>\$ 0</u>	<u>\$ 76,801</u>	<u>\$ 76,801</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 45,299	
Net change in Accounts Payable			<u>12,000</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 57,299</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-TITLE I-STIMULAS-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 176,851	\$ 0	\$ (176,851)
Total Revenues	<u>0</u>	<u>176,851</u>	<u>0</u>	<u>(176,851)</u>
Expenditures				
Instruction				
Personnel Services	0	33,375	0	33,375
Employee Benefits	0	6,625	0	6,625
Professional & Tech Services	0	65,000	62,228	2,772
Purchased Services	0	25,000	11,950	13,050
Supplies	0	41,454	27,709	13,745
Total Instruction	<u>0</u>	<u>171,454</u>	<u>101,887</u>	<u>69,567</u>
Support Services-General Administration				
Purchased Services	0	3,537	1,854	1,683
Total Support Services-General Administration	<u>0</u>	<u>3,537</u>	<u>1,854</u>	<u>1,683</u>
Support Services-School Administration				
Professional & Tech Services	0	1,360	0	1,360
Purchased Services	0	500	0	500
Total Support Services-School Administration	<u>0</u>	<u>1,860</u>	<u>0</u>	<u>1,860</u>
Total Expenditures	<u>0</u>	<u>176,851</u>	<u>103,741</u>	<u>73,110</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(103,741)	(103,741)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (103,741)</u>	<u>\$ (103,741)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (103,741)	
Net change in Due from Grantor			107,367	
Net change in Accounts Payable			(3,626)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
Statement of Fiduciary Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2009

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 569,790
Total Assets	<u>\$ 569,790</u>
Liabilities	
Deposits Held for Others	\$ 569,790
Total Liabilities	<u>\$ 569,790</u>

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

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the ARTESIA PUBLIC SCHOOL DISTRICT NO. 22 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

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

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

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

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

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

Governmental Funds

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

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

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

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

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

Fiduciary Fund Type

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

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

Major Funds

The District reports the following major governmental funds:

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

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

Title I Stimulus (24201)

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

CAPITAL PROJECT FUNDS

House Bill 33 (31600)

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

SENATE BILL NINE (31700)

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

DEBT SERVICE FUND (41000)

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

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

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

In the government-wide Statement of Net Assets, the governmental activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

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

Program Revenues

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

Fund Financial Statements (FFS)

Governmental Funds

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

Revenues

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

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

Revenue Recognition for Grants.

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

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

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

Expenditures

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

Other Financing Sources (Uses)

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

Basis of Budgeting

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

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

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of Education) the local school board submits to the School Budget and Finance Analysis Unit (SBFAU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBFAU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBFAU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBFAU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBFAU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Cash and Cash Equivalents

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

The District is authorized under the provisions of Chapter 6, Article 10, paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

Investments

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

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

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

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

Receivables and Payables

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

Property Taxes

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

Elimination and Reclassifications of Certain Receivables and Payables

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

Inventories and Prepaid Items

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

Capital Assets

Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 (per Section 12-6-10 NMSA1978) and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

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

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

Capital Leases

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

Long-Term Liabilities

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

Restricted Net Assets

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

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

Imposed by law through constitutional provisions or enabling legislation.

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

Fund Balances of Fund Financial Statements

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

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

Interfund Transfers

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

Deferred Revenue

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

Compensated Absences

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

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

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

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

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

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

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Estimates

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

NOTE B: CASH AND INVESTMENTS

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

First National Bank

<u>Name of Account</u>	Balance Per Bank 06-30-09	Reconciled Balance	Type
Activity Fund	\$ 417,477	\$ 401,549	Checking
Activity Money Market	1,208	1,208	Savings
Cafeteria	33,809	31,444	Checking
Federal Project Fund	824,773	729,975	Checking
Capital Improvement	1,357,382	1,343,230	Checking
Special Building Fund HB 33	6,806,892	6,803,423	Checking
Operational Money Market	92,623	92,623	Savings
Artesia Public Schools-HB33	500,000	500,000	Savings
Artesia Public Schools-Activities	250,000	250,000	Savings
TOTAL Deposited	<u>10,284,164</u>	<u>\$ 10,153,452</u>	
Less: FDIC Coverage	<u>(9,690,333)</u>		
Uninsured Amount	593,831		
50% collateral requirement	296,916		
Pledged securities	<u>400,000</u>		
Over (Under) requirement	<u>\$ 103,085</u>		

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

The following securities are pledged at **First National Bank**:

<u>Description</u>	<u>CUSIP #</u>	<u>Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
Portales NM Mun School Dist 1	736151DA6	\$ 400,000	02/01/17	FHLB Dallas, TX
		<u>\$ 400,000</u>		

Western Bank

<u>Name of Account</u>	Balance Per Bank 06-30-08	Reconciled Balance	Type
Operational	\$ 3,131,307	\$ 412,806	Checking
Operational Money Market	45,964	45,964	Savings
Debt Service	1,116,971	1,116,971	Checking
TOTAL Deposited	<u>4,294,242</u>	<u>\$ 1,575,741</u>	
Less: FDIC Coverage	<u>(4,294,242)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	<u>1,000,000</u>		
Over (Under) requirement	<u>\$ 1,000,000</u>		

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The following securities are pledged at **Western Bank**:

<u>Description</u>	<u>CUSIP #</u>	<u>Par/Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
FHLMC Pool	3128X1SA6	\$ 1,000,000	07/14/09	FHLB Dallas, TX
		<u>\$ 1,000,000</u>		

Artesia School Employees Credit Union

<u>Name of Account</u>	<u>Balance Per Bank 06-30-09</u>	<u>Reconciled Balance</u>	<u>Type</u>
NMPSIA	\$ 4,791	\$ 4,791	Checking
ERB	1,646	1,646	Checking
TOTAL Deposited	6,437	<u>\$ 6,437</u>	
Less: FDIC Coverage	(6,437)		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

Custodial Credit Risk-Deposits

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 13,991,012
Collateralized:	
Collateral held by the pledging bank in District's name	400,000
Uninsured and uncollateralized	193,831
Total Deposits	<u>\$ 14,584,843</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2009 \$193,831 of the District's bank balance of \$14,584,843 was exposed to custodial credit risk.

NOTE C: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances is as follows:

<u>Receivable Fund</u>	<u>Payable Funds</u>		
	<u>Title I Fund</u>	<u>Non Governmental Funds</u>	
		<u>Total</u>	
General Fund	\$ 107,367	\$ 193,735	\$ 301,102
Totals	<u>\$ 107,367</u>	<u>\$ 193,735</u>	<u>\$ 301,102</u>

The above interfund balances resulted from reimbursement grants. The shortfalls were covered by the General Fund. All transactions will be repaid within one year.

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

General Fund to	Other Governmental Funds	\$	75,000
Other Governmental Funds to	General Fund		(4,151)
	Totals	\$	<u>70,849</u>

The above transfer was made from the General fund to the Food Service fund to cover shortfalls. This transaction will not be repaid by the Food Service fund. The transfer from other funds to General was to close out grants.

NOTE D: TAXES RECEIVABLE

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

	General	House Bill 33	Senate Bill Nine	Other Governmental
Property Taxes Receivable:				
Available	\$ 24,080	\$ 247,408	\$ 88,619	\$ 32,868
Unavailable	0	0	0	0
TOTAL Property Taxes Receivable	<u>\$ 24,080</u>	<u>\$ 247,408</u>	<u>\$ 88,619</u>	<u>\$ 32,868</u>

NOTE E: DUE FROM OTHER GOVERNMENT UNITS

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

Federal Agencies	\$	107,367
State Agencies		194,106
Total	\$	<u>301,473</u>

NOTE F: DEFERRED REVENUES

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

	General	House Bill 33	Senate Bill Nine
Property Taxes	\$ 22,105	\$ 229,044	\$ 88,619
Federal Revenues	0	0	0
TOTAL Deferred Revenues	<u>\$ 22,105</u>	<u>\$ 229,044</u>	<u>\$ 88,619</u>
	Other Governmental	Total	
Property Taxes	\$ 0	\$ 339,768	
Federal Revenues	90,061	90,061	
TOTAL Deferred Revenues	<u>\$ 90,061</u>	<u>429,829</u>	

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NOTE G: CAPITAL ASSETS

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

	Balance 6/30/08	Increases	Decreases	Balance 6/30/09
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 2,031,305	\$ 0	\$ 0	\$ 2,031,305
Total Capital Assets not being Depreciated	<u>2,031,305</u>	<u>0</u>	<u>0</u>	<u>2,031,305</u>
Capital Assets, being Depreciated				
Buildings	61,924,871	4,210,880	0	66,135,751
Equipment	5,524,519	351,805	123,720	5,752,604
Total Capital Assets being Depreciated	<u>67,449,390</u>	<u>4,562,685</u>	<u>123,720</u>	<u>71,888,355</u>
Less Accumulated Depreciation				
Buildings & Improvements	29,213,588	2,193,995	0	31,407,583
Equipment	3,913,183	320,423	123,720	4,109,886
Total Accumulated Depreciation	<u>33,126,771</u>	<u>2,514,418</u>	<u>123,720</u>	<u>35,517,469</u>
Capital Assets, net	<u>\$ 36,353,924</u>	<u>\$ 2,048,267</u>	<u>\$ 0</u>	<u>\$ 38,402,191</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 2,514,418
Total depreciation expenses	<u>\$ 2,514,418</u>

NOTE H: LONG TERM DEBT

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

	Balance 6/30/08	Additions	Reductions	Balance 6/30/09	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 4,440,000	\$ 0	\$ 805,000	\$ 3,635,000	\$ 835,000
Total Bonds	<u>4,440,000</u>	<u>0</u>	<u>805,000</u>	<u>3,635,000</u>	<u>835,000</u>
Other Liabilities					
Compensated					
Absences	143,061	149,030	221,160	70,931	0
Total Other Liabilities	<u>143,061</u>	<u>149,030</u>	<u>221,160</u>	<u>70,931</u>	<u>0</u>
Long-Term	<u>\$ 4,583,061</u>	<u>\$ 149,030</u>	<u>\$ 1,026,160</u>	<u>\$ 3,705,931</u>	<u>\$ 835,000</u>

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

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

General Obligation Bonds.

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

Series	Date of Issue	Original Amount	Interest Rate	Balance
2003	10-17-03	\$ 6,595,000	5.127%-5.543%	\$ 3,635,000
				<u>\$ 3,635,000</u>

The annual requirements to amortize the 2003 Series general obligation bonds as of June 30, 2009, including interest payments are as follows:

	Principal	Interest	Total
2010	\$ 835,000	\$ 97,217	\$ 932,217
2011	840,000	74,433	914,433
2012	870,000	48,896	918,896
2013	900,000	20,919	920,919
2014	190,000	3,192	193,192
	<u>\$ 3,635,000</u>	<u>\$ 244,657</u>	<u>\$ 3,879,657</u>

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

Note H	\$ 3,635,000
Net Issue Costs/Premium/Discounts on Bond Issues	(60,846)
Statement of Net Assets	<u>\$ 3,574,154</u>
Long-Term Per Government Wide Financial Statements	\$ 2,739,154
Current Portion	835,000
Statement of Net Assets	<u>\$ 3,574,154</u>

NOTE I: COMMITMENTS

There are no construction commitments as of June 30, 2009.

NOTE J: PENSION PLAN

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

Plan members are required to contribute 7.9% of their gross salary. The District is required to contribute 11.65% of the gross covered salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9%. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2009, 2008, and 2007, were \$3,970,801, \$3,715,511 and \$3,328,008, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE K: RETIREE HEALTH CARE ACT CONTRIBUTIONS

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

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

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

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

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

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

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

The District's contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$397,614, \$388,348 and \$364,092, respectively, which equal the required contributions for each year.

NOTE L: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

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

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

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

Reconciliations are located at the bottom of each budget actual.

NOTE M: INSURANCE COVERAGE

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

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

NOTE N: JOINT POWERS AGREEMENTS

The Southeastern New Mexico Educational Resource Center was established in recognition of the need to compensate for the unique isolation of the school districts in southeastern New Mexico. The primary mission of the regional center is to provide resources to the school districts in Chaves, Eddy, and Lea Counties through the collaborative efforts of the eleven participating districts and three government agencies. Local businesses have also joined in this partnership by providing sponsorship to many of the programs developed by the partners. Southeastern New Mexico Educational Resource Center is not a legal entity since it was not properly formed through a joint powers agreement adopted by each participating school district.

A joint powers agreement was entered into between the Artesia Public Schools (District) and the New Mexico Human Services Department to participate in the Medicaid School-Based Services program.

The Human Services Department (HSD) shall oversee the provision of direct services in the Medicaid School Based Services program. The District shall identify the special education and related services needs of each IDEA-eligible child or youth, regardless of whether all services identified qualify for Medicaid reimbursement. The District will collaborate with local community health and human service providers to develop and implement a Collaborative Plan that identifies health needs with the community and outlines strategies to meet those needs.

The purpose of the program is provide Medicaid reimbursable services to Medicaid eligible children.

The agreement became effective February 28, 2005 and remains in effect until June 30, 2009, or until terminated by the parties pursuant to the terms of the agreement.

The Human Services Department will reimburse the District for administrative costs in an amount not to exceed \$60,000 for each fiscal year.

The total expenditures for the year ending June 30, 2009 were \$149,899.

The District and HSD shall maintain fiscal records, as required by applicable federal and state laws and regulations. The District shall provide copies of such reports to HSD when requested, in accordance with the requirements of the Medicaid Provider Participation Agreement. The District has the audit responsibility for the revenues and expenditures at the District.

NOTE O: 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 P: RESTATEMENTS

The Net Assets and Fund Balances were restated for the following:

27144	Legislative Appropriation Laws of NM	\$	(26,602)
27164	School Improvement		54,740
27170	GO Bonds		(1,650)
		\$	<u>26,488</u>

In the prior year revenue was posted to the incorrect fund. The differences in the restatements were posted to Due from Grantor.

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
CAPITAL PROJECT FUND-HOUSE BILL 33-31600
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 4,770,004	\$ 4,770,004	\$ 6,368,236	\$ 1,598,232
Interest Income	24,964	24,964	19,155	(5,809)
Miscellaneous	0	0	6,520	6,520
Total Revenues	<u>4,794,968</u>	<u>4,794,968</u>	<u>6,393,911</u>	<u>1,598,943</u>
Expenditures				
Operation & Maintenance of Plant				
Professional & Tech Services	16,759	20,331	20,330	1
Total Operation & Maintenance of Plant	<u>16,759</u>	<u>20,331</u>	<u>20,330</u>	<u>1</u>
Capital Outlay				
Building Improvements	5,890,112	5,890,112	2,515,792	3,374,320
Land Improvements	1,000,000	1,000,000	742,581	257,419
Building Purchases	2,250,000	1,306,428	499,535	806,893
Fixed Assets	55,000	455,000	71,554	383,446
Supply Assets	250,000	790,000	732,406	57,594
Total Capital Outlay	<u>9,445,112</u>	<u>9,441,540</u>	<u>4,561,868</u>	<u>4,879,672</u>
Total Expenditures	<u>9,461,871</u>	<u>9,461,871</u>	<u>4,582,198</u>	<u>4,879,673</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,666,903)	(4,666,903)	1,811,713	6,478,616
Cash Balance Beginning of Year	<u>5,491,710</u>	<u>5,491,710</u>	<u>5,491,710</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 824,807</u>	<u>\$ 824,807</u>	<u>\$ 7,303,423</u>	<u>\$ 6,478,616</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,811,713	
Net change in Taxes Receivable			(387,210)	
Net change in Deferred Revenue			(35,796)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 1,388,707</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
CAPITAL PROJECT FUND-SENATE BILL NINE-31700
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 2,215,515	\$ 2,291,505	\$ 2,974,007	\$ 682,502
Interest Income	1,500	1,500	2,282	782
State Grant	0	281,470	281,470	0
Miscellaneous	0	0	9,300	9,300
Total Revenues	<u>2,217,015</u>	<u>2,574,475</u>	<u>3,267,059</u>	<u>692,584</u>
Expenditures				
Instruction				
Supplies	<u>87,500</u>	<u>109,485</u>	<u>109,485</u>	<u>0</u>
Total Instruction	<u>87,500</u>	<u>109,485</u>	<u>109,485</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	<u>7,771</u>	<u>9,581</u>	<u>9,581</u>	<u>0</u>
Total Support Services-General Administration	<u>7,771</u>	<u>9,581</u>	<u>9,581</u>	<u>0</u>
Operation & Maintenance of Plant				
Maintenance & Repairs	782,113	1,226,538	1,182,327	44,211
Supplies	<u>273,102</u>	<u>344,453</u>	<u>333,331</u>	<u>11,122</u>
Total Operation & Maintenance of Plant	<u>1,055,215</u>	<u>1,570,991</u>	<u>1,515,658</u>	<u>55,333</u>
Capital Outlay				
Building Improvements	0	200,000	122,024	77,976
Land Improvements	200,000	115,575	112,660	2,915
Vehicles	82,000	194,461	138,976	55,485
Fixed Assets	725,000	31,791	31,791	0
Supply Assets	<u>200,000</u>	<u>640,000</u>	<u>524,849</u>	<u>115,151</u>
Total Capital Outlay	<u>1,207,000</u>	<u>1,181,827</u>	<u>930,300</u>	<u>251,527</u>
Total Expenditures	<u>2,357,486</u>	<u>2,871,884</u>	<u>2,565,024</u>	<u>306,860</u>
Excess (Deficiency) of Revenues Over Expenditures	(140,471)	(297,409)	702,035	999,444
Cash Balance Beginning of Year	<u>578,879</u>	<u>578,879</u>	<u>578,879</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 438,408</u>	<u>\$ 281,470</u>	<u>\$ 1,280,914</u>	<u>\$ 999,444</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 702,035	
Net change in Taxes Receivable			(204,455)	
Net change in Accounts Payable			33,337	
Net change in Deferred Revenue			(743)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 530,174</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

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

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

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

Title I Migrant (24103). To account for a program funded by a federal grant whose purpose is to implement school wide bilingual education programs of special alternative instruction programs to improve, reform and upgrade relevant programs and operations within an entire local educational agency, that serve a significant number of children and youth of limited English proficiency in local educational agencies with significant concentrations of such children and youth. The fund was created by the authority of federal grant provisions. (Title VII, Section 7115 of the ESEA (20USC 7425)).

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

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

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

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

Enhancing Education Through Technology (24133). To account for a Federal grant designed to strengthen teacher learning in the field of technology. The fund was created by the authority of federal grant provisions. (PL 103-382).

NONMAJOR SPECIAL REVENUE FUNDS

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

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

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

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

Rural Low Income (24160) To account for a federal grant to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. The grant is authorized by the Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

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

GRADS Childcare (25149). To account for funds received from New Mexico Department of Health for the Graduation and Dual Skills (GRADS) program for pregnant and parenting skills. The fund was created by state grant provisions.

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

NONMAJOR SPECIAL REVENUE FUNDS

GRADS (25162). To provide grants to States or Territories to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193. The fund was created by state grant provisions.

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

Obesity Program (27120) To account for funds received from a state grant to hire a physical education teacher to instruct students in exercise in an after school program. The fund was created by state grant provisions.

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

Family & Youth (27140). To account for revenues and expenditures from Family Education Rights & Privacy Act (FERPA) to provide a social worker with a classroom, computers and other supplies in order to help students and there parents with counseling services. The fund was created by State Grant provisions (NMSA22-13 A-7

Legislative Appropriations Laws of NM (27144). To account for revenues and expenditures from a state grant to provide professional development, library materials and educational technology. Funding provided by the State of New Mexico.

Library GO Bonds (27145).To account for revenues and expenditures from a state grant to provide for public school and juvenile detention libraries. The funding made available to update and expand library collections in order to circulate and provide access of materials to students and teachers. Funding provided by the State of New Mexico.

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

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

School Improvement (27164). Funds provided by the NM PED to purchase access to a Alpine Achievement to allow better analysis of NM Standards Based Assessment data.

NONMAJOR SPECIAL REVENUE FUNDS

After School Enrichment (27168). To account for revenues and expenditures from the Public Education Department. The purpose of the funding is to provide opportunities for students to attend before and/or after school programs including charter schools.

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

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

NON-MAJOR CAPITAL OUTLAY

Special School Capital Outlay-State (31400)

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

Debt Service (41000)

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	<u>Special Revenue Funds</u>		
	<u>Food Service 21000</u>	<u>Athletics 22000</u>	<u>Title I 24101</u>
ASSETS			
Cash and Cash Equivalents	\$ 31,444	\$ 93,034	\$ 44,127
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	6,107	0	0
Total Assets	<u>37,551</u>	<u>93,034</u>	<u>44,127</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	0	0	0
Accounts Payable	0	101	0
Deferred Revenue	0	0	44,127
Total Liabilities	<u>0</u>	<u>101</u>	<u>44,127</u>
Fund Balance			
Reserved for Inventory	6,107	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	31,444	92,933	0
Total Fund Balance	<u>37,551</u>	<u>92,933</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 37,551</u>	<u>\$ 93,034</u>	<u>\$ 44,127</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds		
	Title I Migrant 24103	IDEA Part B, Entitlement 24106	IDEA Part B, Discretionary 24107
ASSETS			
Cash and Cash Equivalents	\$ 2,327	\$ 4,402	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>2,327</u>	<u>4,402</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	0	0	0
Accounts Payable	0	80	0
Deferred Revenue	2,327	4,322	0
Total Liabilities	<u>2,327</u>	<u>4,402</u>	<u>0</u>
Fund Balance			
Reserved for Inventory	0	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 2,327</u>	<u>\$ 4,402</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds		
	IDEA Part B, Preschool 24109	Fresh Fruit And Vegetables 24118	Enhancing Education Through Technology 24133
ASSETS			
Cash and Cash Equivalents	\$ 7,209	\$ 0	\$ 2,151
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>7,209</u>	<u>0</u>	<u>2,151</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	0	0	0
Accounts Payable	0	0	0
Deferred Revenue	7,209	0	2,151
Total Liabilities	<u>7,209</u>	<u>0</u>	<u>2,151</u>
Fund Balance			
Reserved for Inventory	0	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 7,209</u>	<u>\$ 0</u>	<u>\$ 2,151</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds		
	Title V-A 24150	Title III 24153	Teacher/ Principal Training & Recruiting 24154
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	1	698	4,916
Inventory	0	0	0
Total Assets	<u>1</u>	<u>698</u>	<u>4,916</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	1	698	4,916
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>1</u>	<u>698</u>	<u>4,916</u>
Fund Balance			
Reserved for Inventory	0	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 1</u>	<u>\$ 698</u>	<u>\$ 4,916</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds		
	Title IV-A 24157	Rural Low Income 24160	IDEA Part B Entitlement Stimulus 24206
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	151	77,837	50,283
Inventory	0	0	0
Total Assets	<u>151</u>	<u>77,837</u>	<u>50,283</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	151	77,837	49,912
Accounts Payable	0	0	371
Deferred Revenue	0	0	0
Total Liabilities	<u>151</u>	<u>77,837</u>	<u>50,283</u>
Fund Balance			
Reserved for Inventory	0	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 151</u>	<u>\$ 77,837</u>	<u>\$ 50,283</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds		
	Grads Childcare 25149	Title XIX Medicaid 25153	Grads 25162
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 102,014	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>0</u>	<u>102,014</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	0	0	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for Inventory	0	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	0	102,014	0
Total Fund Balance	<u>0</u>	<u>102,014</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 102,014</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds		
	Technology For Education 27117	Obesity Program 27120	Incentives For School Improvement 27138
ASSETS			
Cash and Cash Equivalents	\$ 62,993	\$ 0	\$ 8,195
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>62,993</u>	<u>0</u>	<u>8,195</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	0	0	0
Accounts Payable	3,567	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>3,567</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for Inventory	0	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	59,426	0	8,195
Total Fund Balance	<u>59,426</u>	<u>0</u>	<u>8,195</u>
Total Liabilities and Fund Balance	<u>\$ 62,993</u>	<u>\$ 0</u>	<u>\$ 8,195</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds		
	Family & Youth 27140	Legislative Appropriation Laws of NM 27144	Library GO Bonds 27145
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	25,570	0	0
Inventory	0	0	0
Total Assets	<u>25,570</u>	<u>0</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	25,570	0	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>25,570</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for Inventory	0	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 25,570</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds		
	Beginning Teacher Mentoring Program 27154	Classroom Breakfast 27155	School Improvement 27164
ASSETS			
Cash and Cash Equivalents	\$ 623	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	33,971
Inventory	0	0	0
Total Assets	<u>623</u>	<u>0</u>	<u>33,971</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	0	0	33,971
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>33,971</u>
Fund Balance			
Reserved for Inventory	0	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	623	0	0
Total Fund Balance	<u>623</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 623</u>	<u>\$ 0</u>	<u>\$ 33,971</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	<u>Special Revenue Funds</u>		
	After School Enrichment <u>27168</u>	GO Bonds <u>27170</u>	Library Book Fund <u>27549</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 10,862
Receivables			
Taxes	0	0	0
Due From Grantor	0	679	0
Inventory	0	0	0
Total Assets	<u>0</u>	<u>679</u>	<u>10,862</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	0	679	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>679</u>	<u>0</u>
Fund Balance			
Reserved for Inventory	0	0	0
Reserved for Retirement of Long-Term Debt	0	0	0
Undesignated, reported in			
Special Revenue	0	0	10,862
Total Fund Balance	<u>0</u>	<u>0</u>	<u>10,862</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 679</u>	<u>\$ 10,862</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2009

	<u>Capital Projects</u>	<u>Debt Service</u>	
	Special School Capital Outlay State 31400	Debt Service 41000	Total
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 1,116,971	\$ 1,486,352
Receivables			
Taxes	0	32,868	32,868
Due From Grantor	0	0	194,106
Inventory	0	0	6,107
Total Assets	<u>0</u>	<u>1,149,839</u>	<u>1,719,433</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balances	0	0	193,735
Accounts Payable	0	0	4,119
Deferred Revenue	0	29,925	90,061
Total Liabilities	<u>0</u>	<u>29,925</u>	<u>287,915</u>
Fund Balance			
Reserved for Inventory	0	0	6,107
Reserved for Retirement of Long-Term Debt	0	1,119,914	1,119,914
Undesignated, reported in			
Special Revenue	0	0	305,497
Total Fund Balance	<u>0</u>	<u>1,119,914</u>	<u>1,431,518</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 1,149,839</u>	<u>\$ 1,719,433</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	Food Service 21000	Athletics 22000	Title I 24101
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	247	327	0
Fees	517,067	172,567	0
State & Local Grants	0	0	0
Federal Grants	881,086	0	819,692
Miscellaneous	21,073	0	0
Total Revenues	<u>1,419,473</u>	<u>172,894</u>	<u>819,692</u>
Expenditures			
Current			
Instruction	0	163,310	601,048
Support Service-Students	0	0	12,575
Support Service-Instruction	0	0	0
Support Service-General Administration	0	0	14,652
Support Service-School Administration	0	0	191,417
Community Service	0	0	0
Food Services	1,466,492	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>1,466,492</u>	<u>163,310</u>	<u>819,692</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(47,019)</u>	<u>9,584</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In/Out	75,000	0	0
Total Other Sources (Uses)	<u>75,000</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>27,981</u>	<u>9,584</u>	<u>0</u>
Fund Balances at Beginning of Year	9,570	83,349	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>9,570</u>	<u>83,349</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 37,551</u>	<u>\$ 92,933</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	Title I Migrant 24103	IDEA Part B, Entitlement 24106	IDEA Part B, Discretionary 24107
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	778,396	33,553
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>778,396</u>	<u>33,553</u>
Expenditures			
Current			
Instruction	0	443,555	33,553
Support Service-Students	0	155,928	0
Support Service-Instruction	0	4,787	0
Support Service-General Administration	0	13,934	0
Support Service-School Administration	0	160,192	0
Community Service	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>0</u>	<u>778,396</u>	<u>33,553</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In/Out	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	<u>0</u>	<u>0</u>	<u>0</u>
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	IDEA Part B, Preschool 24109	Fresh Fruit And Vegetables 24118	Enhancing Education Through Technology 24133
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	43,835	5,000	5,945
Miscellaneous	0	0	0
Total Revenues	<u>43,835</u>	<u>5,000</u>	<u>5,945</u>
Expenditures			
Current			
Instruction	8,234	0	1,945
Support Service-Students	0	0	0
Support Service-Instruction	0	0	4,000
Support Service-General Administration	784	0	0
Support Service-School Administration	34,817	0	0
Community Service	0	0	0
Food Services	0	5,000	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>43,835</u>	<u>5,000</u>	<u>5,945</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In/Out	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	Title V-A 24150	Title III 24153	Teacher/ Principal Training & Recruiting 24154
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	4,741	232,491
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>4,741</u>	<u>232,491</u>
Expenditures			
Current			
Instruction	0	4,318	224,473
Support Service-Students	0	0	4,096
Support Service-Instruction	0	0	0
Support Service-General Administration	0	85	0
Support Service-School Administration	0	338	3,922
Community Service	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>0</u>	<u>4,741</u>	<u>232,491</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In/Out	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	Title IV-A 24157	Rural Low Income 24160	IDEA Part B Entitlement Stimulus 24206
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	14,665	118,738	50,283
Miscellaneous	0	0	0
Total Revenues	<u>14,665</u>	<u>118,738</u>	<u>50,283</u>
Expenditures			
Current			
Instruction	0	114,218	0
Support Service-Students	14,403	1,615	49,391
Support Service-Instruction	0	0	0
Support Service-General Administration	262	2,122	892
Support Service-School Administration	0	783	0
Community Service	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>14,665</u>	<u>118,738</u>	<u>50,283</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In/Out	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	Grads Childcare 25149	Title XIX Medicaid 25153	Grads 25162
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	131,531	0
State & Local Grants	0	0	0
Federal Grants	5,000	0	12,000
Miscellaneous	0	0	0
Total Revenues	<u>5,000</u>	<u>131,531</u>	<u>12,000</u>
Expenditures			
Current			
Instruction	0	0	12,000
Support Service-Students	0	142,174	0
Support Service-Instruction	0	0	0
Support Service-General Administration	0	2,681	0
Support Service-School Administration	0	5,044	0
Community Service	5,000	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>5,000</u>	<u>149,899</u>	<u>12,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>(18,368)</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In/Out	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>(18,368)</u>	<u>0</u>
Fund Balances at Beginning of Year	0	120,382	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>0</u>	<u>120,382</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 102,014</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	Technology For Education 27117	Obesity Program 27120	Incentives For School Improvement 27138
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	62,480	1,362	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>62,480</u>	<u>1,362</u>	<u>0</u>
Expenditures			
Current			
Instruction	46,373	1,362	7,085
Support Service-Students	0	0	0
Support Service-Instruction	5,564	0	0
Support Service-General Administration	0	0	0
Support Service-School Administration	0	0	0
Community Service	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>51,937</u>	<u>1,362</u>	<u>7,085</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>10,543</u>	<u>0</u>	<u>(7,085)</u>
Other Financing Sources (Uses)			
Transfers In/Out	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>10,543</u>	<u>0</u>	<u>(7,085)</u>
Fund Balances at Beginning of Year	48,883	0	15,280
Restatement	0	0	0
Restated Beginning Fund Balance	<u>48,883</u>	<u>0</u>	<u>15,280</u>
Fund Balance End of Year	<u>\$ 59,426</u>	<u>\$ 0</u>	<u>\$ 8,195</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	Family & Youth 27140	Legislative Appropriation Laws of NM 27144	Library GO Bonds 27145
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	29,884	0	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>29,884</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Service-Students	29,884	0	0
Support Service-Instruction	0	0	0
Support Service-General Administration	0	0	0
Support Service-School Administration	0	0	0
Community Service	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>29,884</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfers In/Out	0	(4,151)	0
Total Other Sources (Uses)	<u>0</u>	<u>(4,151)</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>(4,151)</u>	<u>0</u>
Fund Balances at Beginning of Year	0	30,753	0
Restatement	0	(26,602)	0
Restated Beginning Fund Balance	<u>0</u>	<u>4,151</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	Beginning Teacher Mentoring Program 27154	Classroom Breakfast 27155	School Improvement 27164
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	15,789	0
State & Local Grants	5,015		29,533
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>5,015</u>	<u>15,789</u>	<u>29,533</u>
Expenditures			
Current			
Instruction	9,442	0	84,273
Support Service-Students	0	0	0
Support Service-Instruction	0	0	0
Support Service-General Administration	0	0	0
Support Service-School Administration	0	0	0
Community Service	0	0	0
Food Services	0	15,789	0
Capital Outlay	0	0	0
Debt Service	0	0	0
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>9,442</u>	<u>15,789</u>	<u>84,273</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,427)</u>	<u>0</u>	<u>(54,740)</u>
Other Financing Sources (Uses)			
Transfers In/Out	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>(4,427)</u>	<u>0</u>	<u>(54,740)</u>
Fund Balances at Beginning of Year	5,050	0	0
Restatement	0	0	54,740
Restated Beginning Fund Balance	<u>5,050</u>	<u>0</u>	<u>54,740</u>
Fund Balance End of Year	<u>\$ 623</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Special Revenue Funds		
	After School Enrichment 27168	GO Bonds 27170	Library Book Fund 27549
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	1,917	10,862
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>1,917</u>	<u>10,862</u>
Expenditures			
Current			
Instruction			
Support Service-Students	0	0	0
Support Service-Instruction	0	267	0
Support Service-General Administration	0	0	0
Support Service-School Administration	0	0	0
Community Service	0	0	0
Food Services	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>0</u>	<u>267</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>1,650</u>	<u>10,862</u>
Other Financing Sources (Uses)			
Transfers In/Out	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	<u>0</u>	<u>1,650</u>	<u>10,862</u>
Fund Balances at Beginning of Year	0	0	0
Restatement	0	(1,650)	0
Restated Beginning Fund Balance	<u>0</u>	<u>(1,650)</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,862</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2009

	Capital Projects	Debt Service	
	Special School Capital Outlay State 31400	Debt Service 41000	Total
Revenues			
Property Taxes	\$ 0	\$ 997,492	\$ 997,492
Interest Income	0	1,966	2,540
Fees	0	0	836,954
State & Local Grants	201,585	0	342,638
Federal Grants	0	0	3,005,425
Miscellaneous	0	0	21,073
Total Revenues	<u>201,585</u>	<u>999,458</u>	<u>5,206,122</u>
Expenditures			
Current			
Instruction			1,755,189
Support Service-Students	0	0	410,066
Support Service-Instruction	0	0	14,618
Support Service-General Administration	0	2,912	38,324
Support Service-School Administration	0	0	396,513
Community Service	0	0	5,000
Food Services	0	0	1,487,281
Capital Outlay	218,289	0	218,289
Debt Service			
Principal	0	805,000	805,000
Interest	0	117,082	117,082
Total Expenditures	<u>218,289</u>	<u>924,994</u>	<u>5,247,362</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(16,704)</u>	<u>74,464</u>	<u>(41,240)</u>
Other Financing Sources (Uses)			
Transfers In/Out	0	0	70,849
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>70,849</u>
Net Change in Fund Balance	<u>(16,704)</u>	<u>74,464</u>	<u>29,609</u>
Fund Balances at Beginning of Year	16,704	1,045,450	1,375,421
Restatement	0	0	26,488
Restated Beginning Fund Balance	<u>16,704</u>	<u>1,045,450</u>	<u>1,401,909</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 1,119,914</u>	<u>\$ 1,431,518</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 276	\$ 276	\$ 247	\$ (29)
Fees	555,296	555,296	517,067	(38,229)
Federal Grant	746,418	818,406	818,406	0
Miscellaneous	0	0	21,074	21,074
Total Revenues	<u>1,301,990</u>	<u>1,373,978</u>	<u>1,356,794</u>	<u>(17,184)</u>
Expenditures				
Food Service Operations				
Personnel Services	404,957	413,184	413,182	2
Employee Benefits	188,791	175,010	174,979	31
Professional & Tech Services	250	3,599	3,598	1
Other Purchased Services	5,498	5,598	4,242	1,356
Supplies	703,453	847,665	805,308	42,357
Total Food Service Operations	<u>1,302,949</u>	<u>1,445,056</u>	<u>1,401,309</u>	<u>43,747</u>
Total Expenditures	<u>1,302,949</u>	<u>1,445,056</u>	<u>1,401,309</u>	<u>43,747</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(959)</u>	<u>(71,078)</u>	<u>(44,515)</u>	<u>26,563</u>
Other Financing Sources (Uses)				
Transfer In	0	75,000	75,000	0
Total Other Sources (Uses)	<u>0</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
Net Change in Fund Balance	0	3,922	30,485	26,563
Cash Balance Beginning of Year	<u>959</u>	<u>7,655</u>	<u>959</u>	<u>(6,696)</u>
Cash Balance End of Year	<u>\$ 959</u>	<u>\$ 11,577</u>	<u>\$ 31,444</u>	<u>\$ 19,867</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Fund Balance			\$ 30,485	
Net Change in Inventory			<u>(2,504)</u>	
Net Change in Cash Balance			<u>\$ 27,981</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 495	\$ 495	\$ 327	\$ (168)
Fees	192,500	192,500	172,567	(19,933)
Total Revenues	<u>192,995</u>	<u>192,995</u>	<u>172,894</u>	<u>(20,101)</u>
Expenditures				
Instruction				
Personnel Services	35,000	38,975	38,611	364
Employee Benefits	21,126	14,207	6,664	7,543
Professional & Tech Services	13,500	19,699	10,424	9,275
Purchased Services	143,993	143,510	80,992	62,518
General Supplies	60,000	57,228	27,017	30,211
Total Instruction	<u>273,619</u>	<u>273,619</u>	<u>163,708</u>	<u>109,911</u>
Total Expenditures	<u>273,619</u>	<u>273,619</u>	<u>163,708</u>	<u>109,911</u>
Excess (Deficiency) of Revenues Over Expenditures	(80,624)	(80,624)	9,186	89,810
Cash Balance Beginning of Year	<u>83,848</u>	<u>83,848</u>	<u>83,848</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 3,224</u>	<u>\$ 3,224</u>	<u>\$ 93,034</u>	<u>\$ 89,810</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 9,186	
Net Change in Accounts Payable			<u>398</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 9,584</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 1,219,259	\$ 1,219,259	\$ 1,209,234	\$ (10,025)
Total Revenues	<u>1,219,259</u>	<u>1,219,259</u>	<u>1,209,234</u>	<u>(10,025)</u>
Expenditures				
Instruction				
Personnel Services	453,004	451,106	436,058	15,048
Employee Benefits	150,830	148,895	132,352	16,543
Purchase Services	29,863	19,825	18,769	1,056
Purchased Services	12,500	26,359	13,863	12,496
Supplies	3,000	3,012	6	3,006
Total Instruction	<u>649,197</u>	<u>649,197</u>	<u>601,048</u>	<u>48,149</u>
Support Services-Instruction				
Purchase Services	25,000	12,587	12,575	12
Total Support Services Instruction	<u>25,000</u>	<u>12,587</u>	<u>12,575</u>	<u>12</u>
Support Services-General Administration				
Purchased Services	15,908	15,908	14,652	1,256
Total Support Services-General Administration	<u>15,908</u>	<u>15,908</u>	<u>14,652</u>	<u>1,256</u>
Support Services-School Administration				
Personnel Services	135,818	147,165	145,933	1,232
Employee Benefits	43,072	44,130	43,152	978
Professional & Tech Services	1,504	1,504	1,027	477
Purchased Services	2,701	2,701	768	1,933
Supplies	645	649	538	111
Total Support Services-School Administration	<u>183,740</u>	<u>196,149</u>	<u>191,418</u>	<u>4,731</u>
Total Expenditures	<u>873,845</u>	<u>873,841</u>	<u>819,693</u>	<u>54,136</u>
Excess (Deficiency) of Revenues Over Expenditures	345,414	345,418	389,541	44,123
Cash Balance Beginning of Year	<u>(345,414)</u>	<u>(345,414)</u>	<u>(345,414)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 4</u>	<u>\$ 44,127</u>	<u>\$ 44,123</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 389,541	
Net change in Due from Grantor			(345,414)	
Net change in Deferred Revenue			(44,127)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-TITLE I MIGRANT-24103
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>2,327</u>	<u>2,327</u>	<u>2,327</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,327</u>	<u>\$ 2,327</u>	<u>\$ 2,327</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

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

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 812,448	\$ 802,977	\$ 764,853	\$ (38,124)
Total Revenues	<u>812,448</u>	<u>802,977</u>	<u>764,853</u>	<u>(38,124)</u>
Expenditures				
Instruction				
Personnel Services	294,592	297,508	293,634	3,874
Employee Benefits	126,698	118,823	117,676	1,147
Professional & Tech Services	2,500	7,129	7,128	1
Purchased Services	2,949	12,236	12,235	1
Supplies	12,000	6,043	6,043	0
Supply Assets	10,000	7,000	6,758	242
Total Instruction	<u>448,739</u>	<u>448,739</u>	<u>443,474</u>	<u>5,265</u>
Support Services-Students				
Personnel Services	111,620	94,775	87,295	7,480
Employee Benefits	29,931	30,464	27,846	2,618
Professional & Tech Services	17,800	21,850	11,918	9,932
Purchased Services	20,950	18,247	18,058	189
Supplies	21,800	20,800	13,109	7,691
Supply Assets	2,000	425	0	425
Total Support Services-Students	<u>204,101</u>	<u>186,561</u>	<u>158,226</u>	<u>28,335</u>
Support Services-Instruction				
Professional & Tech Services	1,300	2,350	2,257	93
Supplies	4,700	2,650	2,637	13
Total Support Services-Instruction	<u>6,000</u>	<u>5,000</u>	<u>4,894</u>	<u>106</u>
Support Services-General Administration				
Professional & Tech Services	15,159	15,159	13,934	1,225
Total Support Services- General Administration	<u>\$ 15,159</u>	<u>\$ 15,159</u>	<u>\$ 13,934</u>	<u>\$ 1,225</u>

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

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-School Administration				
Personnel Services	\$ 103,350	\$ 108,801	\$ 106,342	\$ 2,459
Employee Benefits	41,060	41,641	38,519	3,122
Professional & Tech Services	500	3,137	2,239	898
Purchased Services	1,500	1,900	1,537	363
Supplies	12,500	12,500	11,747	753
Total Support Services-School Administration	158,910	167,979	160,384	7,595
Total Expenditures	832,909	823,438	780,912	42,526
Excess (Deficiency) of Revenues Over Expenditures	(20,461)	(20,461)	(16,059)	4,402
Cash Balance Beginning of Year	20,461	20,461	20,461	0
Cash Balance End of Year	\$ 0	\$ 0	\$ 4,402	\$ 4,402
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (16,059)	
Net Change in Accounts Payable			2,517	
Net Change in Deferred Revenue			13,542	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

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

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 33,553	\$ 33,553	\$ 0
Total Revenues	<u>0</u>	<u>33,553</u>	<u>33,553</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	33,553	33,553	0
Total Instruction	<u>0</u>	<u>33,553</u>	<u>33,553</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>33,553</u>	<u>33,553</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-IDEA PART B, PRESCHOOL-24109
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 34,509	\$ 34,507	\$ 39,354	\$ 4,847
Total Revenues	<u>34,509</u>	<u>34,507</u>	<u>39,354</u>	<u>4,847</u>
Expenditures				
Instruction				
Personal Services	6,073	5,888	5,773	115
Employee Benefits	1,327	1,375	1,249	126
Purchased Services	150	285	284	1
Supplies	1,000	1,000	928	72
Total Instruction	<u>8,550</u>	<u>8,548</u>	<u>8,234</u>	<u>314</u>
Support Services-Students				
Purchased Services	90	90	0	90
Total Support Services-Students	<u>90</u>	<u>90</u>	<u>0</u>	<u>90</u>
Support Services-General Administration				
Professional & Tech Services	841	841	784	57
Total Support Services-General Administration	<u>841</u>	<u>841</u>	<u>784</u>	<u>57</u>
Support Services-School Administration				
Personnel Services	26,400	26,400	25,605	795
Employee Bennefits	10,318	10,258	9,194	1,064
Purchased Services	0	60	18	42
Total Suupport Services-School Administration	<u>36,718</u>	<u>36,718</u>	<u>34,817</u>	<u>1,901</u>
Total Expenditures	<u>46,199</u>	<u>46,197</u>	<u>43,835</u>	<u>2,362</u>
Excess (Deficiency) of Revenues Over Expenditures	(11,690)	(11,690)	(4,481)	7,209
Cash Balance Beginning of Year	<u>11,690</u>	<u>11,690</u>	<u>11,690</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,209</u>	<u>\$ 7,209</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,481)	
Net change in Due from Grantor			<u>4,481</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-FRESH FRUIT AND VEGTABLES-24118
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 5,000	\$ 5,000	\$ 5,000	\$ 0
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Expenditures				
Food Services Operations				
Supplies	5,000	5,000	5,000	0
Total Food Services Operations	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-ENHANCING EDUCATION THROUGH TECHNOLOGY-24133
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 3,794	\$ 5,945	\$ 2,151
Total Revenues	<u>0</u>	<u>3,794</u>	<u>5,945</u>	<u>2,151</u>
Expenditures				
Instruction				
Supplies	0	1,945	1,945	0
Total Instruction	<u>0</u>	<u>1,945</u>	<u>1,945</u>	<u>0</u>
Support Service-Instruction				
Supply Assets	0	4,000	4,000	0
Total Support Service-Instruction	<u>0</u>	<u>4,000</u>	<u>4,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>5,945</u>	<u>5,945</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(2,151)	0	2,151
Cash Balance Beginning of Year	<u>2,151</u>	<u>2,151</u>	<u>2,151</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,151</u>	<u>\$ 0</u>	<u>\$ 2,151</u>	<u>\$ 2,151</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-TITLE V-A-24150
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 3,581	\$ 3,581	\$ 3,580	\$ (1)
Total Revenues	<u>3,581</u>	<u>3,581</u>	<u>3,580</u>	<u>(1)</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	3,581	3,581	3,580	(1)
Cash Balance Beginning of Year	<u>(3,581)</u>	<u>(3,581)</u>	<u>(3,581)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1)</u>	<u>\$ (1)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,580	
Net change in Due from Grantor			<u>(3,580)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-Title III-24153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 20,917	\$ 23,114	\$ 11,440	\$ (11,674)
Total Revenues	<u>20,917</u>	<u>23,114</u>	<u>11,440</u>	<u>(11,674)</u>
Expenditures				
Instruction				
Personnel Services	2,500	3,000	0	3,000
Professional & Tech Services	3,700	3,700	500	3,200
Purchased Services	1,000	1,000	414	586
Supplies	4,686	6,513	3,404	3,109
Total Instruction	<u>11,886</u>	<u>14,213</u>	<u>4,318</u>	<u>9,895</u>
Support Services-General Administration				
Professional & Tech Services	234	279	85	194
Total Support Services-General Administration	<u>234</u>	<u>279</u>	<u>85</u>	<u>194</u>
Support Services-School Administration				
Professional & Tech Services	700	525	175	350
Purchased Services	700	700	163	537
Total Support Services-School Administration	<u>1,400</u>	<u>1,225</u>	<u>338</u>	<u>887</u>
Total Expenditures	<u>13,520</u>	<u>15,717</u>	<u>4,741</u>	<u>10,976</u>
Excess (Deficiency) of Revenues Over Expenditures	7,397	7,397	6,699	(698)
Cash Balance Beginning of Year	<u>(7,397)</u>	<u>(7,397)</u>	<u>(7,397)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (698)</u>	<u>\$ (698)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 6,699	
Net change in Due from Grantor			<u>(6,699)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

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

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 250,029	\$ 251,665	\$ 244,966	\$ (6,699)
Total Revenues	<u>250,029</u>	<u>251,665</u>	<u>244,966</u>	<u>(6,699)</u>
Expenditures				
Instruction				
Personnel Services	167,410	168,974	168,326	648
Employee Benefits	51,117	47,732	47,399	333
Professional & Tech Services	1,000	5,389	5,386	3
Purchased Services	3,000	2,384	2,377	7
Supplies	2,877	985	985	0
Total Instruction	<u>225,404</u>	<u>225,464</u>	<u>224,473</u>	<u>991</u>
Support Services-Students				
Professional & Tech Services	4,734	4,234	4,096	138
Purchased Services	500	0	0	0
Support Services-Students	<u>5,234</u>	<u>4,234</u>	<u>4,096</u>	<u>138</u>
Support Services-School Administration				
Purchased Services	1,000	0	0	0
Supplies	1,000	4,576	3,922	654
Total Support Services-School Administration	<u>2,000</u>	<u>4,576</u>	<u>3,922</u>	<u>654</u>
Total Expenditures	<u>232,638</u>	<u>234,274</u>	<u>232,491</u>	<u>1,783</u>
Excess (Deficiency) of Revenues Over Expenditures	17,391	17,391	12,475	(4,916)
Cash Balance Beginning of Year	<u>(17,391)</u>	<u>(17,391)</u>	<u>(17,391)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (4,916)</u>	<u>\$ (4,916)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 12,475	
Net change in Due from Grantor			<u>(12,475)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-TITLE IV-A-24157
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 21,783	\$ 21,783	\$ 20,789	\$ (994)
Total Revenues	<u>21,783</u>	<u>21,783</u>	<u>20,789</u>	<u>(994)</u>
Expenditures				
Support Services-Students				
Personnel Services	10,075	10,265	10,256	9
Employee Benefits	4,852	4,662	4,016	646
Professional & Tech Services	150	150	0	150
Purchased Services	149	149	131	18
Total Support Services-Students	<u>15,226</u>	<u>15,226</u>	<u>14,403</u>	<u>823</u>
Support Services-General Administration				
Professional & Tech Services	282	282	262	20
Total Support Services-General Administration	<u>282</u>	<u>282</u>	<u>262</u>	<u>20</u>
Total Expenditures	<u>15,508</u>	<u>15,508</u>	<u>14,665</u>	<u>843</u>
Excess (Deficiency) of Revenues Over Expenditures	6,275	6,275	6,124	(151)
Cash Balance Beginning of Year	<u>(6,275)</u>	<u>(6,275)</u>	<u>(6,275)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(151)</u>	\$ <u>(151)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 6,124	
Due from Grantor			<u>(6,124)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-RURAL LOW INCOME-24160
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 165,383	\$ 165,383	\$ 83,956	\$ (81,427)
Total Revenues	<u>165,383</u>	<u>165,383</u>	<u>83,956</u>	<u>(81,427)</u>
Expenditures				
Instruction				
Personnel Services	48,141	64,932	64,624	308
Employee Benefits	33,096	37,650	36,963	687
Professional & Tech Services	1,000	712	711	1
Purchased Services	1,000	2,810	2,810	0
Supplies	19,157	9,109	9,109	0
Total Instruction	<u>102,394</u>	<u>115,213</u>	<u>114,217</u>	<u>996</u>
Support Services-Students				
Purchase Services	0	1,700	1,615	85
Total Support Services-Students	<u>0</u>	<u>1,700</u>	<u>1,615</u>	<u>85</u>
Support Services-Instruction				
Professional & Tech Services	4,000	0	0	0
Purchased Services	4,000	0	0	0
Total Support Services-Instruction	<u>8,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	1,933	2,313	2,122	191
Total Support Services-General Administration	<u>1,933</u>	<u>2,313</u>	<u>2,122</u>	<u>191</u>
Support Services-School Administration				
Employee Benefits	5,000	0	0	0
Purchased Services	5,000	3,101	783	2,318
Total Support Services-School Administration	<u>10,000</u>	<u>3,101</u>	<u>783</u>	<u>2,318</u>
Total Expenditures	<u>122,327</u>	<u>122,327</u>	<u>118,737</u>	<u>3,505</u>
Excess (Deficiency) of Revenues Over Expenditures	165,383	43,056	(34,781)	(77,837)
Cash Balance Beginning of Year	(43,056)	(43,056)	(43,056)	0
Cash Balance End of Year	\$ <u>122,327</u>	\$ <u>0</u>	\$ <u>(77,837)</u>	\$ <u>(77,837)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (34,781)	
Net change in Due from Grantor			34,781	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-IDEA PART B, ENTITLEMENT STIMULAS-24206
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 462,555	\$ 0	\$ (462,555)
Total Revenues	<u>0</u>	<u>462,555</u>	<u>0</u>	<u>(462,555)</u>
Expenditures				
Instruction				
Supply Assets	0	350,000	0	350,000
Total Instruction	<u>0</u>	<u>350,000</u>	<u>0</u>	<u>350,000</u>
Support Services-Students				
Professional & Tech Services	0	3,600	3,600	0
Supplies	0	7,425	7,425	0
Supply Assets	0	87,112	37,995	49,117
Total Support Services-Students	<u>0</u>	<u>98,137</u>	<u>49,020</u>	<u>49,117</u>
Support Services-General Administration				
Professional & Tech Services	0	8,418	892	7,526
Total Support Services-General Administration	<u>0</u>	<u>8,418</u>	<u>892</u>	<u>7,526</u>
Support Services-School Administration				
Supply Assets	0	6,000	0	6,000
Total Support Services-School Administration	<u>0</u>	<u>6,000</u>	<u>0</u>	<u>6,000</u>
Total Expenditures	<u>0</u>	<u>462,555</u>	<u>49,912</u>	<u>412,643</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(49,912)	(49,912)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (49,912)</u>	<u>\$ (49,912)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (49,912)	
Net change in Due from Grantor			50,283	
Net change in Accounts Payable			(371)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-GRADS CHILDCARE-25149
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 5,000	\$ 5,000	\$ 5,000	\$ 0
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Expenditures				
Community Services				
Personnel Services	5,000	5,000	5,000	0
Total Community Services	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Reconciliation of Budgetary Basis to GAAP Basis

Excess (Deficiency) of Revenues Over Expenditures-Cash Basis	\$ 0
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis	<u>\$ 0</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND- TITLE XIX-MEDICAID-25153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 0	\$ 29,898	\$ 131,530	\$ 101,632
Total Revenues	<u>0</u>	<u>29,898</u>	<u>131,530</u>	<u>101,632</u>
Expenditures				
Support Services-Students				
Personnel Services	58,663	104,571	104,516	55
Employee Benefits	18,378	30,335	30,174	161
Professional & Tech Services	0	598	597	1
Purchased Services	12,000	6,085	6,083	2
Supplies	0	884	884	0
Total Support Services-Students	<u>89,041</u>	<u>142,473</u>	<u>142,254</u>	<u>219</u>
Support Services-General Administration				
Professional & Tech Services	1,719	2,681	2,681	0
Total Support Services-General Administration	<u>1,719</u>	<u>2,681</u>	<u>2,681</u>	<u>0</u>
Support Services-School Administration				
Professional & Tech Services	4,400	4,821	4,820	1
Purchased Services	250	250	88	162
Supplies	750	135	135	0
Total Support Services-School Administration	<u>5,400</u>	<u>5,206</u>	<u>5,043</u>	<u>163</u>
Total Expenditures	<u>96,160</u>	<u>150,360</u>	<u>149,978</u>	<u>163</u>
Excess (Deficiency) of Revenues Over Expenditures	(96,160)	(120,462)	(18,448)	102,014
Cash Balance Beginning of Year	<u>120,462</u>	<u>120,462</u>	<u>120,462</u>	<u>0</u>
Cash Balance End of Year	\$ <u>24,302</u>	\$ <u>0</u>	\$ <u>102,014</u>	\$ <u>102,014</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (18,448)	
Net change in Accounts Payable			80	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(18,368)</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-GRADS-25162
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 12,000	\$ 12,000	\$ 12,000	\$ 0
Total Revenues	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>0</u>
Expenditures				
Instruction				
Professional Services	8,000	8,000	8,000	0
Professional & Tech Services	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>0</u>
Total Instruction	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>0</u>
Total Expenditures	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-TECHNOLOGY FOR EDUCATION-27117
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 31,502	\$ 62,480	\$ 30,978
Total Revenues	<u>0</u>	<u>31,502</u>	<u>62,480</u>	<u>30,978</u>
Expenditures				
Instruction				
Purchased Services	0	34,000	29,072	4,928
Supplies	0	7,920	7,920	0
Supply Assets	0	20,560	6,211	14,349
Total Instruction	<u>0</u>	<u>62,480</u>	<u>43,203</u>	<u>19,277</u>
Support Services-Instruction				
Professional & Tech Services	0	8,000	0	8,000
Purchased Services	0	1,000	604	396
Supplies	0	6,490	3,625	2,865
Supply Assets	0	2,500	1,023	1,477
Total Support Services-Instruction	<u>0</u>	<u>17,990</u>	<u>5,252</u>	<u>12,738</u>
Total Expenditures	<u>0</u>	<u>80,470</u>	<u>48,455</u>	<u>32,015</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(48,968)	14,025	62,993
Cash Balance Beginning of Year	<u>48,968</u>	<u>48,968</u>	<u>48,968</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 48,968</u>	<u>\$ 0</u>	<u>\$ 62,993</u>	<u>\$ 62,993</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 14,025	
Net change in Accounts Payable			<u>(3,482)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 10,543</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-OBESITY PROGRAM-27120
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 7,181	\$ 10,568	\$ 8,543	\$ (2,025)
Total Revenues	<u>7,181</u>	<u>10,568</u>	<u>8,543</u>	<u>(2,025)</u>
Expenditures				
Instruction				
Supplies	0	3,387	1,362	2,025
Total Instruction	<u>0</u>	<u>3,387</u>	<u>1,362</u>	<u>2,025</u>
Total Expenditures	<u>0</u>	<u>3,387</u>	<u>1,362</u>	<u>2,025</u>
Excess (Deficiency) of Revenues Over Expenditures	7,181	7,181	7,181	0
Cash Balance Beginning of Year	<u>(7,181)</u>	<u>(7,181)</u>	<u>(7,181)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 7,181	
Net change in Due from Grantor			(10,170)	
Net change in Accounts Payable			<u>2,989</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

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

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	195	195	0
Supply Assets	<u>0</u>	<u>13,983</u>	<u>6,890</u>	<u>7,093</u>
Total Instruction	<u>0</u>	<u>14,178</u>	<u>7,085</u>	<u>7,093</u>
Total Expenditures	<u>0</u>	<u>14,178</u>	<u>7,085</u>	<u>7,093</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(14,178)	(7,085)	7,093
Cash Balance Beginning of Year	<u>15,280</u>	<u>15,280</u>	<u>15,280</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 15,280</u>	<u>\$ 1,102</u>	<u>\$ 8,195</u>	<u>\$ 7,093</u>
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (7,085)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (7,085)</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-FAMILY & YOUTH - 27140
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 20,680	\$ 50,680	\$ 24,994	\$ (25,686)
Total Revenues	<u>20,680</u>	<u>50,680</u>	<u>24,994</u>	<u>(25,686)</u>
Expenditures				
Support Services-Students				
Personnel Services	0	23,574	23,574	0
Employee Benefits	0	6,118	6,013	105
Professional & Tech Services	0	117	116	1
Purchased Services	0	191	181	10
Total Support Services-Students	<u>0</u>	<u>30,000</u>	<u>29,884</u>	<u>116</u>
Total Expenditures	<u>0</u>	<u>30,000</u>	<u>29,884</u>	<u>116</u>
Excess (Deficiency) of Revenues Over Expenditures	20,680	20,680	(4,890)	(25,570)
Cash Balance Beginning of Year	<u>(20,680)</u>	<u>(20,680)</u>	<u>(20,680)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(25,570)</u>	\$ <u>(25,570)</u>
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,890)	
Net change in Due from Grantor			<u>4,890</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-LEGISLATIVE APPROPRIATION LAWS OF NM - 27144
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Support Services-Instruction				
Supplies	0	0	0	0
Total Support Services-Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)				
Transfer to Operational	(4,151)	(4,151)	(4,151)	0
Total Other Sources (Uses)	<u>(4,151)</u>	<u>(4,151)</u>	<u>(4,151)</u>	<u>0</u>
Net Change in Fund Balance	<u>(4,151)</u>	<u>(4,151)</u>	<u>(4,151)</u>	<u>0</u>
Cash Balance Beginning of Year	30,753	30,753	30,753	0
Restatement	(26,602)	(26,602)	(26,602)	0
Restated Beginning Cash Balance	<u>4,151</u>	<u>4,151</u>	<u>4,151</u>	<u>0</u>
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-LIBRARY GO BONDS-27145
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Support Services-Instruction				
Supplies	0	0	0	0
Total Support Services-Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	(28,252)	(28,252)	(28,252)	0
Restatement	<u>28,252</u>	<u>28,252</u>	<u>28,252</u>	<u>0</u>
Restated Beginning Cash Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 28,252	
Net Change in Due from Grantor			<u>(28,252)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-BEGINNING TEACHER MENTORING PROGRAM-27154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 28,744	\$ 33,759	\$ 5,015	\$ (28,744)
Total Revenues	<u>28,744</u>	<u>33,759</u>	<u>5,015</u>	<u>(28,744)</u>
Expenditures				
Instruction				
Personnel Services	1,500	1,500	603	897
Purchased Services	0	734	731	3
Professional & Tech Services	0	9,015	6,922	2,093
Other Purchased Services	2,166	3,166	0	3,166
Supplies	24,000	18,266	1,763	16,503
Supply Assets	1,834	1,834	0	1,834
Total Instruction	<u>29,500</u>	<u>34,515</u>	<u>10,019</u>	<u>24,496</u>
Support Services Instruction				
Supplies	4,871	4,871	0	4,871
Total Support Services-Instruction	<u>4,871</u>	<u>4,871</u>	<u>0</u>	<u>4,871</u>
Total Expenditures	<u>34,371</u>	<u>39,386</u>	<u>10,019</u>	<u>29,367</u>
Excess (Deficiency) of Revenues Over Expenditures	(5,627)	(5,627)	(5,004)	623
Cash Balance Beginning of Year	<u>5,627</u>	<u>5,627</u>	<u>5,627</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 623</u>	<u>\$ 623</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,004)	
Net change in Accounts Payable			<u>577</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (4,427)</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-CLASSROOM BREAKFAST-27155
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 15,789	\$ 15,789	\$ 0
Total Revenues	<u>0</u>	<u>15,789</u>	<u>15,789</u>	<u>0</u>
Expenditures				
Food Services				
Supplies	0	15,789	15,789	0
Total Food Services	<u>0</u>	<u>15,789</u>	<u>15,789</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>15,789</u>	<u>15,789</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-SCHOOL IMPROVEMENT-27164
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 85,000	\$ 50,302	\$ (34,698)
Total Revenues	<u>0</u>	<u>85,000</u>	<u>50,302</u>	<u>(34,698)</u>
Expenditures				
Instruction				
Personnel Services	0	38,366	38,276	90
Employee Benefits	0	7,788	7,755	33
Professional & Tech Services	0	5,198	5,198	0
Supplies	0	17,661	17,186	475
Supply Assets	0	15,987	15,858	129
Total Instruction	<u>0</u>	<u>85,000</u>	<u>84,273</u>	<u>727</u>
Total Expenditures	<u>0</u>	<u>85,000</u>	<u>84,273</u>	<u>727</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(33,971)	(33,971)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (33,971)</u>	<u>\$ (33,971)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (33,971)	
Net change in Due from Grantor			<u>(20,769)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (54,740)</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-AFTER SCHOOL ENRICHMENT-27168
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 54,740	\$ 54,740	\$ 54,740	\$ 0
Total Revenues	<u>54,740</u>	<u>54,740</u>	<u>54,740</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	0	0	0
Employee Benefits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	54,740	54,740	54,740	0
Cash Balance Beginning of Year	<u>(54,740)</u>	<u>(54,740)</u>	<u>(54,740)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis			54,740	
Net Change in Due from Grantor			<u>(54,740)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-GO BONDS-27170
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 20,220	\$ 20,486	\$ 19,807	\$ (679)
Total Revenues	<u>20,220</u>	<u>20,486</u>	<u>19,807</u>	<u>(679)</u>
Expenditures				
Support Services-Instruction				
Supplies	0	266	266	0
Total Support Services-Instruction	<u>0</u>	<u>266</u>	<u>266</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>266</u>	<u>266</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>20,220</u>	<u>20,220</u>	<u>19,541</u>	<u>(679)</u>
Cash Balance Beginning of Year	(18,570)	(18,570)	(18,570)	0
Restatement	<u>(1,650)</u>	<u>(1,650)</u>	<u>(1,650)</u>	<u>0</u>
Restated Beginning Cash Balance	<u>(20,220)</u>	<u>(20,220)</u>	<u>(20,220)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(679)</u>	\$ <u>(679)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 19,541	
Net change in Due from Grantor			<u>(17,891)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 1,650</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
SPECIAL REVENUE FUND-LIBRARY BOOK FUND-27549
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 10,862	\$ 10,862
Total Revenues	<u>0</u>	<u>0</u>	<u>10,862</u>	<u>10,862</u>
Expenditures				
Support Services-Instruction				
Supplies	0	0	0	0
Total Support Services-Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	10,862	10,862
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,862</u>	<u>\$ 10,862</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 10,862	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 10,862</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 CAPITAL PROJECTS FUND-SPECIAL CAPITAL OUTLAY-STATE-31400
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Non-GAAP-Budgetary Basis)
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 201,585	\$ 201,585	\$ 201,585	\$ 0
Total Revenues	<u>201,585</u>	<u>201,585</u>	<u>201,585</u>	<u>0</u>
Expenditures				
Capital Outlay				
Building Improvements	218,289	218,289	218,289	0
Total Capital Outlay	<u>218,289</u>	<u>218,289</u>	<u>218,289</u>	<u>0</u>
Total Expenditures	<u>218,289</u>	<u>218,289</u>	<u>218,289</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(16,704)	(16,704)	(16,704)	0
Cash Balance Beginning of Year	<u>16,704</u>	<u>16,704</u>	<u>16,704</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (16,704)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (16,704)</u>	

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
DEBT SERVICE-41000

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non-GAAP-Budgetary Basis)
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 0	\$ 0	\$ 1,066,287	\$ 1,066,287
Interest Income	0	0	1,966	1,966
Total Revenues	<u>0</u>	<u>0</u>	<u>1,068,253</u>	<u>1,068,253</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	<u>1,171</u>	<u>3,251</u>	<u>2,912</u>	<u>339</u>
Total Support Services-General Administration	<u>1,171</u>	<u>3,251</u>	<u>2,912</u>	<u>339</u>
Debt Service				
Principal	805,000	805,000	805,000	0
Interest	<u>117,082</u>	<u>117,082</u>	<u>117,082</u>	<u>0</u>
Total Debt Service	<u>922,082</u>	<u>922,082</u>	<u>922,082</u>	<u>0</u>
Total Expenditures	<u>923,253</u>	<u>925,333</u>	<u>924,994</u>	<u>339</u>
Excess (Deficiency) of Revenues Over Expenditures	(923,253)	(925,333)	143,259	1,068,592
Cash Balance Beginning of Year	<u>973,712</u>	<u>973,712</u>	<u>973,712</u>	<u>0</u>
Cash Balance End of Year	\$ <u>50,459</u>	\$ <u>48,379</u>	\$ <u>1,116,971</u>	\$ <u>1,068,592</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 143,259	
Net change in Taxes Receivable			(69,182)	
Net change in Deferred Revenue			387	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>74,464</u>	

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

OTHER SUPPLEMENTAL INFORMATION

AGENCY FUND

Activity Trust Fund

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For the Year Ended June 30, 2009

	Balance 06/30/08	Receipts	Disbursements	Balance 06/30/09
ASSETS				
Other				
Red Ribbon Campaign	\$ 301	\$ 721	\$ 721	\$ 301
APS Math Programs	144,528	197	144,725	0
Book Fund	3,953	6,084	178	9,859
Elem Art Program	161	0	0	161
General Fund	1,335	9	0	1,344
Gifted Programs	2,817	20	0	2,837
Cafeteria General	34	51,739	51,773	0
Maintenance	36,428	0	0	36,428
Tech Poster Production	208	353	0	560
Cisco Systems' Virtual	35	0	0	35
Summer School	860	18,617	19,477	0
Snack Bar	735	5	0	740
Yeso General	5,381	14,042	17,035	2,388
Central Memorial	2,675	17	300	2,392
Central General	4,803	1,505	1,984	4,324
Central Special Acct.	1,129	486	0	1,615
Grand Heights Gen.	4,719	12,293	11,190	5,822
Golf Boosters	0	1,000	850	150
Hermosa General	5,572	5,804	7,002	4,374
Hermosa Special	5	1,741	0	1,746
Penasco General	3,061	883	1,743	2,202
AHS Paw Prowlers	491	0	0	491
Roselawn General	5,499	4,290	6,640	3,149
Elem. Science P.I.E.	20	0	0	20
Yucca General	11,142	4,538	6,616	9,065
HS Activity Misc.	4,704	2,440	0	7,144
HS Boys A Club	9,136	5,046	5,211	8,971
HS Boys Track Team	10,552	9,294	12,641	7,205
HS Girls A Club	223	0	0	223
Lou Smith Scholarship	2,655	1,699	1,750	2,604
J. Clark Bruce Scholarship	26	0	0	26
Students	0	71	0	71
Mack Chase Scholarship	81,999	20,434	40,000	62,433
HS Arts & Crafts	2,883	786	0	3,669
HS Annual Fund	0	17,585	16,119	1,466
HS Basketball Boosters	1,035	9,133	8,909	1,259
HS Band Fund	4,137	16,426	16,584	3,979
HS Baseball Boosters	0	17,492	13,557	3,935
HS Beacon	817	7,172	7,108	881
HS Girls Basketball	4,823	6,449	7,960	3,312
AHS Tennis	153	805	300	658
AHS Boys Basketball Camp	609	321	929	0
HS Cheerleaders	7,483	68,241	75,724	0
Yeso Library	\$ 183	\$ 4,257	\$ 0	\$ 4,440

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For the Year Ended June 30, 2009

	Balance 06/30/08	Receipts	Disbursements	Balance 06/30/09
HS Chorus	\$ 2,440	\$ 19,814	\$ 13,918	\$ 8,337
HS Night Classes	13,769	6,567	17,706	2,630
Workbook Fees	8,529	619	0	9,148
Science Scholarship	506	4	0	510
Class Of 2010	3,835	2,207	3,638	2,404
Class Of 2008	702	5,153	850	5,005
Zac Herrera Memorial	1,846	111	0	1,957
RDC Scholarship	64,793	93	51,470	13,416
Class Of 2009	4,756	851	4,706	901
Chase Special Projects	136,475	100,239	202,289	34,425
Rodeo	574	1,229	1,803	0
HS Cross Country	2,911	418	810	2,519
AHS Girls Soccer	424	9,691	5,516	4,599
Boys Soccer	1,681	3,447	2,729	2,399
Drivers Education	145	12,880	13,025	0
HS Deca	87	24,173	23,850	411
HS F.F.A.	388	102,725	101,908	1,205
AHS Volleyball	621	7,288	7,134	774
Grads Activity	5,281	1,230	0	6,511
HS Football Boosters	16,018	43,397	42,982	16,433
HS Football Playoffs	46,914	20,591	20,125	47,380
HS General	4,645	1,993	1,168	5,469
HS French Club	532	4	0	536
HS Health Occupations	897	6	57	846
HS Honor Society	464	1,919	1,740	643
HS Industrial Arts	5,963	3,212	4,950	4,226
Grads Co-Pay	169	53,621	48,365	5,426
HS Library	776	2,516	1,698	1,594
HS Locker Fund	1,809	13	0	1,822
HS Masquers	0	3,548	2,011	1,537
Math-Science Club	1,606	11	0	1,617
HS Mechanical Drawing	601	0	339	262
HS PC/Networks	0	370	370	0
HS BPA	2,808	15,152	11,496	6,464
Scholarship Fund	25,652	48,803	30,879	43,576
HS Key Club	1,292	3,800	3,791	1,301
HS Special Education	395	854	487	762
HS Student Council	18	745	530	233
HS Swimming Fund	4,972	3,658	3,633	4,998
HS Vocational Ag	0	2,846	0	2,846
HS Vending Machine	12,778	63,037	67,476	8,339
HS Vica-Auto Mechanics	53	3,069	2,532	590
Girls Softball	206	7,488	5,894	1,800
HS Testing	3,561	4,035	3,811	3,785
Park Activity Misc.	3,008	21	0	3,029
Park Annual	3,066	5,076	46	8,096
Park Vending	\$ 4,143	\$ 1,326	\$ 5,152	\$ 317

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For the Year Ended June 30, 2009

	Balance 06/30/08	Receipts	Disbursements	Balance 06/30/09
Park Arts & Crafts	\$ 1,160	\$ 2,134	\$ 1,783	\$ 1,510
Park Band	0	6,506	6,093	413
Park Cheerleaders	3,216	12,712	8,929	6,999
Park FHA	2,009	14,953	13,309	3,654
Park General	4,425	31,794	24,110	12,109
AJHS Football	826	6	0	832
Park Honor Society	0	611	250	361
AJHS Border Conf.	77	361	438	0
Park Industrial Arts	3,517	14,482	15,382	2,618
AJHS Track	1,013	561	0	1,574
Park Library	1,991	1,967	2,168	1,791
AHS Boys Athletics	614	329	493	449
AHS Super Computer	0	3,244	3,244	0
APS Trans	700	2,391	347	2,744
Park Student Council	6,576	1,350	0	7,926
Academic Decathlon	76	0	0	76
Zia General	4,220	77,656	67,968	13,907
Zia Library	481	7,625	7,903	203
District 4-AAA	421	2,580	2,580	421
Zia Grants	6	0	0	6
Zia Vending	1,046	8,440	8,740	746
Zia Band	19	1,717	1,433	303
Bilingual	414	0	0	414
Zia Student Council	1,247	3,520	2,723	2,043
Teacher Scholarship	961	2,011	1,419	1,554
AHS Chorus	11,496	8,547	10,028	10,014
Children First	0	10,014	8,000	2,014
AHS Art	419	1,761	1,029	1,151
AHS Girls Ath.	1,262	309	65	1,506
NMAA District Chair	4,531	11,321	11,199	4,653
AHS Bowling	0	5,004	4,391	613
NMPSIA/CLRG Acct	2,725	19	0	2,744
Title I	2,707	350	649	2,407
Flex System	0	5,951	3,700	2,251
Credit Union NMPSIA & ERB	8,274	7,634,572	7,636,409	6,437
Total Assets	<u>\$ 825,844</u>	<u>\$ 8,776,639</u>	<u>\$ 9,032,692</u>	<u>\$ 569,790</u>
LIABILITIES				
Deposits Held for Others	<u>\$ 825,844</u>	<u>\$ 8,776,639</u>	<u>\$ 9,032,692</u>	<u>\$ 569,790</u>
Total Liabilities	<u>\$ 825,844</u>	<u>\$ 8,776,639</u>	<u>\$ 9,032,692</u>	<u>\$ 569,790</u>

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

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
Cash Reconciliations - All Funds
For the Year Ended June 30, 2009

		Beginning Cash	Revenues	Expenditures	Transfers	Ending Cash
Operational	11000	\$ 1,661,853	\$ 26,634,185	\$ 26,905,738	\$ (70,848)	1,319,452
Teacherage	12000	0	17,398	17,398		0
Transportation	13000	0	1,511,096	1,511,096		0
Instructional Materials	14000	31,502	391,082	345,783		76,801
Food Services	21000	959	1,356,794	1,401,309	75,000	31,444
Athletics	22000	83,848	172,894	163,707		93,034
Federal Flowthrough	24000	(386,485)	2,417,672	2,211,855		(180,668)
Federal Direct	25000	120,462	148,531	166,980		102,013
State Flowthrough	27000	(28,794)	252,533	197,134	4,151	22,454
Special Capital Outlay State	31400	16,704	201,585	218,288		0
HB 33	31600	5,491,710	6,393,910	4,582,198		7,303,423
SB-9	31700	578,879	3,267,060	2,565,023		1,280,915
Debt Service	41000	973,712	1,068,253	924,994		1,116,971
Agency Funds		825,844	8,776,639	9,032,692		569,790
Total		\$ 9,370,193	\$ 52,609,631	\$ 50,244,195	\$ 8,303	\$ 11,735,630

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

FEDERAL COMPLIANCE

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Agency/Pass Through Grantor/Program Title	Federal CFDA Number	State ID Number	Total Federal Awards Expended
<u>U. S. Department of Agriculture</u>			
Pass-through State Public Education Department: USDA National School Lunch Program Total Child Nutrition Cluster	10.553	21000	\$ <u>818,406</u> <u>818,406</u>
Pass-through State Department of Human Services: USDA Commodities Program	10.55	21000	(1) 62,680
Direct Program Forest Reserve	10.67	11000	(1) <u>21,860</u>
Total U. S. Department of Agriculture			\$ <u>902,946</u>
<u>U. S. Department of Education</u>			
Pass-through State Public Education Department: Special Education Cluster			
IDEA, Part B, Entitlement	84.027	24106	\$ 778,396
IDEA, Part B, Discretionary	84.027	24107	33,553
IDEA Preschool	84.173	24109	<u>43,835</u>
Total Special Education Cluster			<u>855,784</u>
Title I	84.010	24101 24201	927,059
Fresh Fruit & Vegetables	10.582	24118	5,000
Title V	84.332	24133	5,945
English Language Acquisition	84.340	24153	4,741
Title II-A	84.332	24154	232,490
Title IV-A	84.186	24157	14,666
Rural and Low Income	84.358	24160	118,738
Entitlement-Stimulus	84.010	24206	<u>50,283</u>
Total U. S. Department of Education			\$ <u>1,358,922</u>
<u>Department of Health & Human Services</u>			
Direct Program:			
Grads Childcare	93.590	25149	5,000
Grads	93.558	25162	<u>12,000</u>
Total Department of Health & Human Services			<u>17,000</u>
Total Federal Assistance			\$ <u>3,134,652</u>

(1) Non-cash assistance

See accompanying notes to the Schedule of Expenditures of Federal Awards

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS

Notes to the Schedule of Expenditures of Federal Awards
June 30, 2009

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

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

Note 2: Insurance Requirements

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

Note 3: Loans or Loan Guarantees

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

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

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

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the ARTESIA PUBLIC SCHOOL DISTRICT NO. 22

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, the budgetary comparisons for the general fund and the major special revenue fund and the combining and individual funds presented as supplemental information of the ARTESIA PUBLIC SCHOOL DISTRICT NO. 22, (District), as of and for the year ended June 30, 2009, and have issued our report thereon dated November 6, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

 De'Ann Willoughby CPA PC

November 6, 2009

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

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

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the ARTESIA PUBLIC SCHOOL DISTRICT NO. 22

Mr. Balderas and Members of the Board

Compliance

We have audited the compliance of ARTESIA PUBLIC SCHOOL DISTRICT NO. 22 (District), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance.

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

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

Internal Control Over Compliance

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weakness. 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 administration, the board members, the Public Education Department, the Office of the State Auditor, the New Mexico State Legislature, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

De'Ann Willoughby CPA PC

November 6, 2009

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2009

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting

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

Federal Awards

Internal control over major programs:

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

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program of Cluster</u>
10.555	USDA National School Lunch Program

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

Auditee qualified as low risk auditee yes no

STATE OF NEW MEXICO
ARTESIA PUBLIC SCHOOLS
Schedule of Findings and Responses
For the Year Ended June 30, 2009

Prior Year Audit Findings

There were no previous year audit findings.

Current Year Audit Findings

There are no current year audit findings.

Financial Statement Preparation

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

Exit Conference

An exit conference was held on November 6, 2009. Those present were James M. Phipps-Supintendent, Jacquelyn Sanderson-Business Manager, Carolyn Shearman-School Board Vice President, Juan C. Saiz-Assistant Superintendent for Operations, Camille George-Assistant Superintendent for Curriculum, Susie Tucker-Assistant of Transportation and Cafeteria, Joy Conklin-Assistant Business Manager, and De'Aun Willoughby CPA.